FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

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Pretoria steels itself for defeat in by-election, Page 4

NEWS SUMMARY

GENERAL

Brazil blocks Libyan arms

Brazil unloaded four Libyan aircraft carrying arms and explosives for Nicaragua when they stopped for refuelling at Brasilia. The shipment was described as medical supplies.

In Washington the news is seen as giving the Reagan Administration a much-needed propaganda coup when its Central American policies are facing considerable criticism in the capital.

The Administration has long argued that arms are channelled to left-wing guerrillas in El Salvador through Cuba and Nicaragua, but the evidence produced has been patchy. *Page 6*

Commons protest

Twelve women were dragged shouting from the gallery of Britain's House of Commons after they had interrupted a vote on a Bill for a referendum on the deployment of U.S. cruise missiles in the U.K.

Big brotherhood

Leaders of Britain's largest unions combined to reject a call for a national minimum wage at the Scottish Trades Union Congress, at Rothesay.

Italian breakthrough

Pediatrician Elda Pucci, 55, became the first woman elected as mayor of a major Italian city at Palermo, the Mafia-plagued capital of Sicily.

Oil fraud arrests

Sereno Freato, aide to the assassinated Italian Premier Aldo Moro, was arrested near Vicenza, and fugitive oilman Bruno Musselli in the Canaries, in connection with the billion-dollar Italian oil tax frauds, for which nearly 80 have been arrested.

Soviet space launch

Soviet Union has launched three cosmonauts into space in a Soyuz said Radio Moscow. A senior Soviet scientist said development of solar power stations in outer space should form part of the country's long-term programme.

Israeli walk-out

Four Israeli officials walked out of Polish ceremonies marking the 40th anniversary of the Warsaw ghetto uprising because Palestinian representatives laid a wreath.

Ethiopia shuffle

The Ethiopian military leadership was reshuffled to strengthen the position of head of state Mengistu Haile Mariam.

French build-up

France announced a four-year FFr 830bn ($112bn) arms programme, providing for a sixth nuclear submarine and a rapid deployment force. Page 24

Fruit machine ban

French Government has decided to ban gaming machines "to protect young people from immoral games of chance." Pinball machines will stay legal.

Briefly . . .

Panamanian ship rescued four wounded survivors of a German yacht shot up nine days before in the South China Sea.

Bandung, Java: Landslide killed at least 21.

Coatzacoalcos, Mexico: Petrochemical plant explosion killed four.

Johannesburg: Black journalist Joe Thloloe was jailed two-and-a-half years for possessing Pan African Congress literature.

Brenner Pass was blocked by Italian farmers protesting against EEC farm prices. Police used teargas.

BUSINESS

Wall St. up 16.93 to new record

● WALL STREET: Dow Jones index closed 16.93 up at 1,181.47, a new record. Page 41. Full share listings, Pages 42–44

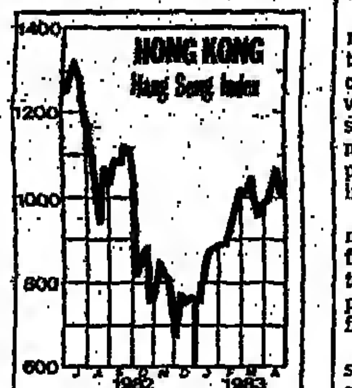
● DOLLAR rose against most currencies. It reached DM 2.459 (DM 2.4525), FFr 7.3725 (FFr 7.3525) and SwFr 2.067 (SwFr 2.0625), but fell to Y237.25 (Y237.3). Its Bank of England trade-weighted index was unchanged at 122.9. In New York the dollar closed at DM 2.4540; FFr 7.3575; SwFr 2.0640; and Y237.12. Page 48

● STERLING slipped 25 points to $1.5495 and to Y368 (Y368.5), but rose to DM 3.8125 (DM 3.81), FFr 11.4225 (FFr 11.41) and SwFr 3.205 (SwFr 3.2025). Its trade weighting eased from 83.8 to 83.6. In New York, sterling closed at $1.5482. Page 48

● GOLD fell $5 in London to $434.5, by $7 in Frankfurt to $440.5, and by $6.75 in Zurich to $433.75. In New York, the Comex April settlement was $438.8 ($433.2). Page 45

● LONDON: FT Industrial Ordinary index fell 7 points to 678.2. Government securities showed some marginal falls. Page 41. FT Share Information Service, Pages 46, 47

● TOKYO: Nikkei Dow index gained 22.82 points at 8,561.48, and the Stock Exchange index was 2.51 up at 622.42. Report, Page 41. Prices, Page 44



● HONG KONG: Interest-rate rise of one point pushed down the Hang Seng index 32.81 to 1,010.37. Report, Page 41. Prices, other foreign exchanges, Page 44

● AMERICAN Telephone and Telegraph reported first-quarter net income of $1.74bn, close to its forecasts, against $2.01bn in the comparable period which included special credit arising from new accounting treatment of certain deferred taxes. On a comparable basis, the 1982 figure was $1.72bn. Overall revenues were ahead from $15.6bn to $16.8bn.

● PORTUGAL approved Esc 2.5bn ($25m) relief for farmers because drought has destroyed a quarter of the wheat crop.

● ARAB Monetary Fund is to double its capital to $648m.

● BOLIVIAN miners took over 18 state-run tin mines and occupied its headquarters, to ensure continued production.

● IRISH interest rates will be cut by from 1 to 1½ percentage points, bringing the overdraft rate for prime borrowers to 15.25 per cent.

● SPAIN has trimmed its public deficit to Pts 1,100bn ($8.1bn) before today's budget. Page 3

● NIGERIA is seeking to borrow about $2bn abroad to finance its balance-of-payments deficit.

● UNION CARBIDE, U.S. industrial major, suffered a 47 per cent fall in first-quarter earnings at $48.1m.

Some London Stock Exchange traded options statistics do not appear today because of production problems.

Two shades of Green add colour to Kreisky's survival fight

BY WOLF LUETKENS IN VIENNA

THE AUSTRIAN political scene has turned several shades of green three days before the election which will decide the political future of Dr Bruno Kreisky, Chancellor since 1970, and one of the West's longest-serving heads of government.

There are two versions of West German-style Greens, both knocking at the gates of parliament with environmental and anti-establishment ideas. One group, on the far left but non-Communist, is known as the Red Greens. The other, a middle-class group that has cashed in on the disenchantment with the established party system, is called the Black Greens.

In addition, there is the traditional green livery of the Austrian People's Party, the conservative opposition to Dr Kreisky's Socialists. Even the ruling party has been keen to demonstrate that it is the real fighter for a sound environment and for gardens and parks. Dr Kreisky, who at 72 might be expected to be above such things, is featured on posters as a gardener in straw hat, tending flowers and fruit.

All this greenery has a serious background. Opinion research has shown that environmental considerations range uppermost in voters' minds second only to unemployment. But they come a poor second; worry number one is jobs, even though the Socialists can point out that 5.3 per cent unemployment at the end of March is enviably low by present standards in the West. Add to that an inflation rate of 5.4 per cent last year, likely to drop to 3.7 per cent in 1983, and the Austrian economic record ranks among the best in Europe.

But 152,000 people out of work is above the threshold of pain for most Austrians. Dr Alois Mock, leader of the People's Party, has been hammering away at this point. In a televised debate with the Chancellor last Friday Dr Mock scored heavily with it.

He has also struck a popular note with an appeal for economy. Budget deficits which have been the Keynesian price for holding down unemployment do not fit easily with a people imbued with traditional ideas of good housekeeping.

Dr Mock, at 48, has yet to win his spurs. Since becoming party leader in 1979 he has tried to assert his authority over his followers, but still might not survive a poor showing at the elections.

Dr Mock has put forward a programme of budget economies to total Sch 80bn ($3.6bn) over four years but of total budget expenditure of some Sch 400bn. Some Sch 40bn would be pumped back into the economy in incentives and other businesses which are recognised to be the backbone of the economy. State-owned enterprises, which are to a great extent concentrated in steel and other heavy sectors, have been struggling for years to get out of deficit.

The real issue between the Socialists and the People's Party can be summed up as follows: the opposition wants to encourage private industry with a moderate application of supply-style economics, while the Socialists are keener on public works programmes such as Dr Kreisky's plan for a costly international conference centre in Vienna. They also prefer tied subsidies such as those which have attracted to the Vienna region a General Motors plant making car components.

Besides these differences of principle, the People's Party has been making hay of Socialist proposals to tighten up income tax procedure, by closing some loopholes precious to rich and poor alike.

It is notable that there are no differences of opinion about the hard-currency policy, which in effect ties the schilling to the D-Mark. Employers and trade unions accept that as an anti-inflationary device, essential in a country where foreign trade in goods and services accounts for almost 40 per cent of gross national product.

Nor is there debate about Austria's neutrality or its sympathies with the West. Foreign policy differences are merely matters of emphasis, and have played no part in the campaign.

By concentrating on jobs and housekeeping, Dr Mock has correctly judged national attitudes. But so has Dr Kreisky, who is running on his record and shrewdly suggesting that in today's world, any change is liable to be a change for the worse. Opinion polls suggest that these tactics will preserve the Socialists' leading position with close to 50 per cent of the vote. The People's Party should get over 40 per cent, with the remainder shared between the Freedom Party, a continental-European-style liberal group, and the Greens and other splinter groups.

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U.S. growth at two-year high but below target

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

Fresh evidence that the hesitant U.S. economic recovery is finally under way *came yesterday with the news that the country's gross national product* (GNP) rose at an annual rate of 3.1 per cent in the first quarter of 1983 – the strongest growth for two years.

The preliminary assessment from the Commerce Department nevertheless came as something of a disappointment to the Administration, which last month released an initial estimate of around 4 per cent.

It was also clear from the Commerce Department's statistics that the increase was due largely to changing patterns of business inventory management, rather than a significant rise in real final demand, which edged up by only 0.9 per cent after a surge of 5.4 per cent in the final quarter of last year.

Mr Malcolm Baldrige, the Commerce Secretary, said that he now felt that growth in the second quarter would be running in the 3 to 4 per cent range, not far above the first quarter figure.

He added, however, that the last six months of the year should show slightly stronger growth as the economy "begins to pick up steam." That should bring the year-on-year increase in the fourth quarter in line with the Administration's recently-revised forecast of 4.7 per cent, he said.

The first-quarter increase followed a fall of 1.1 per cent at an annual rate in the final quarter of last year and an overall contraction of 1.7 per cent for 1982 as a whole.

Following recent encouraging figures for industrial production, personal income and housing starts, most economists took yesterday's growth figure as a further hopeful sign. But fears persisted that the recovery may still be faltering and likely to prove weaker than previous upturns. The figures, however, are still provisional and could be further significantly revised in about a month's time.

Mr Baldrige said he hoped the first-quarter improvement was the beginning of an economic expansion that would be one of the longest on record, but he conceded that this was "far from certain." He said that Congress must act to bring future budget deficits down sharply to "ensure the future of this recovery."

The Department said that its inflation barometer, the "implicit price deflator," rose to a 5.8 per cent annual rate in the first quarter, the highest since the fourth quarter of 1981 and well above other government inflation measures. Only last week, Administration officials forecast that one key index of consumer prices would rise by only 2.5 per cent this year.

The Department also revised marginally downwards its estimates of corporate profits in the fourth quarter of last year. It said that profits from current production decreased by $1.6abn to a seasonally adjusted annual rate of $164.6bn, against an increase of $10.8bn in the third quarter.

The figures were announced as the Reagan Administration reluctantly accepted a major defeat in its bid to impose a 10 per cent withholding tax on income from savings and dividends

The withholding provision, due to take effect from July 1, has been bitterly opposed by the banking lobby, small investors, a wide section of the general public that mistakenly regards it as a new tax, and many Americans who feel that they have a right to decide what to do with their own earnings.

Delors attacks U.S. on dollar

By David Marsh in Paris

M JACQUES DELORS, the French Finance Minister, yesterday fired a bluntly worded broadside at the U.S. Government's refusal to take steps to dampen the fresh rise of the dollar on the foreign exchanges, which he said was "worrying all of Europe."

The new attack on the monetary policies of the Reagan Administration – with which M Delors has already crossed swords on numerous occasions over the past two years – came just 24 hours after the Minister warned that the dollar's surge could force more French belt-tightening.

Answering questions in the National Assembly, M Delors declared that "disorder" reigned on the currency markets and accused the U.S. of "mistakes and insensitivity" in refraining from intervening to control the dollar.

His remarks are one of the strongest signs yet of the unease in Europe about the effect of the dollar's rise in simultaneously pushing up inflation and unemployment.

Recalling that when the dollar's weakness in 1978 was disturbing the world economy, America's partners rallied round to help, M Delors said that, with the phenomenon now reversed, Washington was refusing to return the favour.

M Delors said that an international study on the desirability of

Continued on Page 24

Walesa calls for talks with authorities

BY CHRISTOPHER BOBINSKI IN GDANSK

MR LECH WALESA, leader of the banned Solidarity trade union, yesterday appealed to the government of General Wojciech Jaruzelski to come to terms with his movement. He said he was ready to start talks any time to help national reconciliation.

His offer came at a press conference in his apartment here following 10 days of official harassment after Mr Walesa had admitted meeting Solidarity's underground leaders.

Mr Walesa confirmed that he was pursuing a new, outspoken approach and expressed readiness to lead protests to force the authorities to the negotiating table, but he also hinted at the possibility of major concessions from his side.

The most important was his apparent willingness to discuss the return of Solidarity within the terms of the trade union law passed last October which led to the formal dissolution of his union.

"Speaking for myself, I think we should talk about the law with the authorities. I think it could be used in the initial stages," he said. He implied that the law could be modified later.

The law imposes considerable restrictions on trade-union freedoms; the most important being permission for only one union to be organised in each factory.

Mr Walesa refused to be drawn on what he would be doing on May Day, apart from saying he would celebrate Labour Day "as a worker."

His movement has called for mass demonstrations on May 1. The Polish authorities have already threatened to deal with them "decisively."

Leaders of the Roman Catholic Church are understood to share Mr Walesa's argument that "workers have a right to celebrate their day as they see fit."

Declining to go into detail on his strategy in eventual talks with the government, Mr Walesa claimed that they were well aware of his and other union leaders' position.

"Each time we are called in for questioning, once the protocol is closed, we talked about the need for agreement," he said, confirming that in the two interrogations to which he has been summoned this week, the authorities have been testing Mr Walesa's current views.

In a conciliatory tone at yesterday's press conference Mr Walesa admitted that Solidarity had made mistakes and that there could be no return to the past.

Reuters adds from Warsaw: In response to his call for a return to the negotiating table, however, a Polish government spokesman reaffirmed the official position that Mr Walesa was nothing more than an ordinary, private citizen.

U.S. insurer raises Minet stake to 25%

BY JOHN MOORE IN LONDON

THE ST PAUL Companies, a leading U.S. insurance group based in Minnesota, yesterday paid £5.6m ($8.7m) for a 5 per cent block of shares in Minet Holdings, the British insurance broker currently under investigation by the Department of Trade and the City of London Police Fraud Squad.

The purchase of the 3.84m shares on the London Stock Exchange brings the total stake to 24.96 per cent in Minet and in the latest transaction St Paul paid 147½p per share. Minet's shares yesterday were unchanged at 138p.

The move by the Americans prompted a swift reaction from Minet's chairman Mr Raymond Pettitt. He said, after the purchase was made in London yesterday: "We do not want to be taken over by a big insurance group. I do not think that St Paul should be under any illusion about that."

Mr Douglas Leatherdale, executive vice-president of St Paul, which ranks in the lower end of the top 20 property and casualty insurers in the U.S., said yesterday: "Whether we increase our stake by a percentage point or two depends on market conditions and the results of our continual monitoring of this investment."

The group started buying shares in Minet in 1981. It stressed that it intended to maintain a minority stake.

The U.S. group moved shortly after Minet announced its results for 1982 yesterday morning. Minet reported an increase in pre-tax profits of the group which rose 20.6 per cent last year to £17.8m.

It was a traumatic time for Minet last year. Irregularities were discovered in the group's Lloyd's underwriting interests. Some $53m has so far estimated to have been diverted in the form of reinsurance from Lloyd's syndicates under its management to a variety of offshore companies which benefited a number of former group executives. Mr John Wallrock, the former chairman of Minet, resigned last year when he admitted that he had secretly participated in one of the reinsurance arrangements.

The British authorities are still investigating the affair, which has led to major management changes within the Minet group.

GM profits soar in quarter

By Richard Lambert in New York

GENERAL MOTORS, the world's biggest motor manufacturer, yesterday reported its highest quarterly earnings for nearly four years. Net income in the first three months of 1983 jumped from $128.3m to $653.1m, while sales rose nearly 14 per cent to $16.7bn.

The results, better than many Wall Street analysts had been expecting, stemmed mainly from a sharp increase in production and rate of deliveries to its dealers.

Worldwide sales jumped by over a fifth to nearly 1.8m vehicles while sales of passenger cars in the U.S. climbed by a third to 913,000 units.

Car sales outside the U.S. were also strong, rising 19 per cent to 419,000 units. The most significant gains were made in Europe, where the Opel Corsa experienced an "excellent reception" in the market-place.

The group also noted improvements in efficiency and gains by its finance company subsidiary. Net income on this side climbed from $131.2m to $246.9m.

CONTENTS

WEST GERMANS WANT DIRECTIVE ADOPTED ON MAY 16

EEC nears decision on accounting

BY JOHN WYLES IN BRUSSELS

THE WEST GERMANS, currently holding the presidency of the EEC Council of Ministers are pushing and cajoling member states towards adopting on May 16 a key directive regulating tho consolidated accounts of companies organised as groups.

Under West German prompting, officials have devoted 20 days since the start of tho year to resolving differences between member states on a directive which will be an important step forward in harmonising EEC company law.

They appear to have mado such progress that Herr Gerhard Stoltenberg, the West German Finance Minister, told his follow ministers in Luxemburg on Monday that ho hoped they would be ready to adopt the seventh company law directive at their next meeting on May 16—almost exactly seven years after it was first tabled by the European Commission.

Aiming at harmonising preparation of group accounts throughout the EEC, the directive will require significant changes in the laws and practices of most member states—even in Britain which regards its laws as the most advanced in the field and which is seeking to minimise the changes required by the proposed legislation.

The British Government is concerned particularly about one of the six outstanding points of dispute which have to be settled in the next two weeks if the directive is to be adopted next month.

This would exempt certain types of parent companies, which are sub-groups because they are wholly or partially owned by another company, from providing consolidated accounts. Under current British law, such companies consolidate their accounts and acceptance of the EEC provision would actually reduce the amount of information availabla to shareholders and investors, say British officials.

They are also unenthusiastic about the compromise proposals to exempt from the scope of the directive groups with a consolidated balance sheet total of less than Ecu 2.5m (£1.5m) or a consolidated turnover of less than Ecu 5m or with less than 500 employees. Exemption will be granted to companies satisfying any two of these three criteria.

The UK could continuo to operate its system of much more restrictive exemptions but fears that its smaller companies might suffer a competitive disadvantage. A further point of significance is that the compromises now being negotiated in Brussels would introduce a new concept of effective control into UK law.

In Britain, consolidation is mandatory where a parent undertaking has tho right to appoint or remove a majority of the management of another undertaking. Under the compromise which looks like being adopted, the requirement would be optional for member states. But they would instead have to make consolidations mandatory where a dependent company has a "control contract" which subjects it to tho management of a controlling enterprise. This definition is an important feature of West Germany company law.

Of the other issues to be resolved, Luxembourg's demand for tho exemption of its financial bolding companies has proved the most difficult. However, the Grand Duchy is isolated on the issue and it looks liko it will he forced to accept—possibly by a majority vote—that its bolding companies should publish lists of their majority shareholdings.

Bonn takes dim view of farm compromise

BY LARRY KLINGER IN BRUSSELS

MR POUL DALSAGER, the European Comissioner for Agriculture, yesterday tabled a compromise plan aimed at hreaking the deadlock between West Germany and France over agriculture monetary arrangements. But, at the same time, the Commission was refusing to bow to pressures to increase its proposed price rises for the EEC's costly surplus products, such as milk and most cereals.

The council of farm ministers, meeting for a third consecutive day to fix guaranteed price levels for 1983-84, interrupted its discussions last night to study the compromise. West German reaction, however, was that demands that it revalue its "green D-Mark" by around 3.4 per cent, were "absolutely unacceptable."

Such a move would limit West Germany's overall price increase to about 1 per cent and give no rise at all to its milk-producers.

Unless a further modification in the Commission's demands is forthcoming, it seems impossiblo that Herr Ignatz Kiechle, who met his Cabinet colleagues in Bonn yesterday, could approve tho package.

On the other hand, the Commission's firm stand on the overall price position is likely to anger several member states, especially high-inflation countries such as Italy and Ireland. It is also bound to draw intense criticism from EEC farming organisations, which are domanding a 7 per cent price rise.

Mr Dalsager told the council that the Commisslon hadd ecided unanimously yesterday morning that it would not alter its price proposals for any of the basic commodities in structural surplus.

If the ministers were exepcting to adjourn and, say, reconvene next week in hopes that the Commission would alter its basic proposal for a 4.2 per cent average increase, they should dismiss all such thoughts, he said.

Mr Peter Walker, the British Agriculture Minister, welcomed fulsomely the Commission's stand. Britain, which wants an effective freeze on prices for surplus commodities, commended the Commission's refusal of the demands by "seven, and possibly eight countries for greater increases."

Tho Commission has told the ministers that mounting expenditure on subsidising the export of EEC surpluses gave it no alternative but to limit price rises for all basic commodities such as milk, cereals, sugar, wine and oliva oil.

A supplementary EEC budget of possibly more than £1.2bn would be needed this year to finance farm support spending, which is some 35 per cent more than in 1982. The Commission how estimates the extra financial cost of its current proposals at around £261m this year and a further £486m in 1984.

Mr Dalsager . . . firm stand on basic proposal

Angry farmers block pass

BOLZANO — Police clashed yesterday with Italian farmers blockading the Brenner Pass into Austria in protest at EEC farm price policy. Eyewitnesses said police fired tear gas in a bid to disperse about 1,500 farmers blocking the pass for the second time in a week.

Three people were arrested but tha main road through the pass into Austria had still not been cleared, police said. The railway line was also briefly blocked but had been re-opened. No injuries were reported.

The farmers want changes in the system of taxes and subsidies which regulate agricultural trade between Community states and which they say favour West German farm exports into Italy.

The problem of these subsidies and taxes, which bridge the gap between the "green" currencies in which farmers are paid and real currency rates, is at the centre of the EEC agriculture ministers' talks in Luxembourg.

Reuter

Kohl will press UK on union of Europe

By Jonathan Carr in Bonn

THE West German Government will make a new bid to gain Britain's support for early approvel of an EEC declaration on European union during two days of talks starting in London today.

Chancellor Helmut Kohl and Mrs Margaret Thatcher, Britain's Prime Minister, will be heading the ministerial delegations to the talks—part of the top-level consultations held twice-yearly between the two sides.

Bonn is setting great store on the proposed declaration, and would like to see it approved at the European summit in Stuttgart in June to round off West Germany's six months as president of the Council of Ministers.

However, the West Germans have already struck one disappointment this week when the Danes indicated that they could not go along with several of the declaration's key aims.

Mr Paul Schlueter, the Danish Prime Minister, showed no enthusiasm for giving the European Parliament greater competence, nor for moving towards abolition of the veto-right for national governments in the Council of Ministers. Britain has long been similarly sceptical.

Besides discusing EEC matters, the British and West German aides will take up Nato affairs, the new session of the European security conference in Madrid and preparations for the Western economic summit conference in Williamsburg in May.

Herr Kohl wil report to Mrs Thatcher on his talks last week in Washington with President Ronald Reagan.

Bonn government officials stressed yesterday that Herr Kohl had gained the firm impression that Mr Reagan was doing "everything humanly possible" to achieve a negotiated solution of the nuclear missiles problem in Geneva.

They also underlined that the U.S. seemed to agree that the issue of restrictions on East-West trade should not be given central importance at the summit.

It is felt that on both the missiles and the economic topics, Herr Kohl and Mrs Thatcher see largely eye-to-eye.

Marchais calls on party members to back peace march

BY PAUL BETTS IN PARIS

M GEORGES MARCHAIS, the secretary general of the French Communist Party, has urged all party members to support a big peace march in Paris next June.

The appeal, which could be embarrassing for President Francois Mitterrand, was made in M Marchais's extended report to the Communist party's central committee meeting release for the first time yesterday afternoon.

The President has publicly supported the U.S. position on the deployment of new nuclear missiles in Europe on several occasions this year, including during an address to the West German Parliament.

M Marchais, however, used tho long awaited meeting of his party's central committee this week to launch a new peace offensive in favour of nuclear disarmament.

"1983 must not be the year of the missiles," he said. "Everybody must limit and reduce them. . . and it is thus logical that, to stick to this course, no one must add new missiles."

The peace march is to be held in Paris on June 19. Depending on the level of popular support for it, the occasion could turn into a political embarrassment either for M Marchais or M Mitterrand.

Tho Communist leader also launched what he called a major nationwide campaign to enable Communists and other French citizens to debate the party's policies and longer term aims. The campaign was designed to increase the party'a influence which, despite all the reports to the contrary, was on the rise again, he claimed.

His extensive report was approved unanimously by the 150 members of the central committee, M Pierre Juquin, the official spokesman said yesterday.

In his report, M Marchais made a otrong defence of the rolo of the Communists in government, claiming "not a single federation, party section or cell has questioned our participation in government."

M Jaquin, however, acknowledged that the debate in the committee had been intense, although he claimed the party was united behind its loadership. As expected, the closed-doors meeting thus ended yesterday showing, on the surface at least, a united front.

However, the fact that M Marchais felt it necessary to use the meeting essentially to whip up enthusiasm in the rank-and-file indicates the depth of the current internal debate. In this respect, M Juquin's comments yesterday that "there is no crisis in the Communist party" appeared as something of an overstatement, to say the least.

Interest rates begin to come down in Ireland

BY BRENDAN KEENAN IN DUBLIN

IRISH INTEREST rates have begun to come down following the sharp rise imposed to protect the punt in tho run up to the realignment of currencies in the European monetary system last month.

From today, rates will be cut by between 1 and 1½ percentage points. This brings the overdraft rate for prime borrowers to 15.25 per cent.

For most commercial borrowers the rate will be 16.25 per cent, while the rate for personal overdrafts will be 17.25 per cent. Deposit rates range from 9 per cent for deposits under I£5,000 £4,590 to 13.5 per cent for I£100,000 and over.

The cuts, which were agreed between the Irish central bank and the clearing banks, are not enough to offset the 2¾ point rise in March. The rates rose to discourage movement out of Irish punts in expectation of a devaluation of the currency in the EMS realignment.

Earlier this year, the central bank also tightened exchange controls, reducing the time for which forward cover can be bought from 15 days to seven and tightening up documentations procedures.

Despite these measures, there was a considerable flight from punts and the situation has not fully reversed. Irish banks felt they could not reduce rates by the full 2¾ points and bank officials say they do not expect a further cut before the summer.

The fall will bring relief to the Government because it should forestall any rise in mortgage rates.

Sweden marks up growth estimate

By David Brown in Stockholm

THE PROSPECTS are brighter for Sweden's economy next year, the Government believes. Its final 1983-84 budget released yesterday revises growth estimates for gross national product from 1.4 per cent to 1.8 per cent. Industrial production is forecast to climb by nearly 4 per cent.

The budget deficit is revised downwards from SKr 90.2bn (£8bn) in the original budget published in January to Skr 89.9bn (£7.9bn). Annual inflation should be 9.5 per cent rather than 11.5 per cent, the document states. Exports are expected to grow by 7 per cent, yielding a balance in foreign trade.

Announcing the programme, Prime Minister Olof Palme said the economy had performed "beyond expectations" since the 16 per cent devaluation of the krona last October. He cited recent figures indicating a growth in both exports and industrial production.

He said the budget revisions represent a "second phase" aimed at consolidating export competitiveness by reducing inflation.

The new budget aims to keep inflation within a 4 per cent "target" for 1984. The government spending forecast is revised slightly upwards to SKr 289bn (£25.4bn) for 1983-1984. However, most previously indexed spending programmes will be limited to the 4 per cent growth. Revenues are forecast at SKr 208.1bn (£18.5bn).

Without measures to cut spending growth, the budget deficit could grow to SKr 120bn per year by 1988, the Government says, with debt service increasing from SKr 55bn in 1983-84 to SKr 90bn in five years. The current account deficit is forecast at SKr 18.8bn or 3 per cent of GNP, an improvement of about SKr 4bn over the 1982 figure which represented 3.7 per cent of GNP.

A new tax on energy products will be implemented on July 1, and is expected to raise SKr 3.5bn on an annual basis. It will be used initially to finance a temporary SKr 2.7bn jobs scheme and to finance a marginal tax reform in 1984.

The government is to take unspecified action later this year to "improve the supply of risk capital," and has promised a "review" of the corporate tax system.

Mr Palme called on wage-earners to limit pay claims again next year.

Polish hard currency earnings flag

By Christopher Bobinski in Warsaw

POLAND'S hard currency export earnings, which are crucial if the country is to finance imports and provide the bare minimum of dobt service payments, flagged in the first quarter of tha year, the Government Central Statistical Office has reported. This is in spito of a 20 per cent growth in the volume of imports of raw material and semi finished products for industry which bore fruit in a 12 per cent growth in the value of production in the manufacturing industry.

The main beneficiaries of the growth in output, however, seems to hava been the Comecon countries as well as the domestic market which in March alone saw a 22 per cent increase in supplies of durable consumer goods and agricultural machinery compared with March last year.

The figures, which record the value of goods crossing the country's frontiers, show that hard currency exports, from January to March, reached zlotys 91.7bn (£718m) and fell slightly on the same period last year. This year's plan forsees that hard currency exports should rise by 5 per cent. Imports should go up by 7 per cent over last year's figures.

Poland's hard currency imports have outstripped these assumptions so far this year and risen by 25.8 per cent to reach zlotys 76.9bn. Poland's export drive to its Comecon partners, including the Soviet Union, however, is proving a roaring success, with sales growing by 24 per cent

The 23 per cent growth in Comecon countries in tho first three months of the year, is also higher than the 11 per cent annual growth targeted.

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Spain aims for lower deficit in budget

By David White in Madrid

THE SPANISH Government has trimmed its budget deficit for this year to Pta 1,100bn (£5.5bn) in its first full budget which will be presented to Parliament tomorrow.

The new target, which is close to last year's final figure, falls almost 20 per cent within the Pta 1,350bn (£6.8bn) ceiling set in the Government's plans.

This original figure was equivalent to 6 per cent of Spain's gross domestic product, the same proportion as the deficit rose to last year.

According to Sr Miguel Boyer, the Economy and Finance Minister, the Government has drawn up a new target, equivalent to less than 5 per cent of GDP, to leave itself a margin in order to stay in line with its original aim.

The figure contrasts with forecasts by private sector economists that the budget deficit will climb to around Pta 1,800bn (£9bn).

The overall tax burden is set to increase by about 1 percentage point, with the maximum rate of income tax rising from 43 to 45 per cent.

This will imply somewhat heavier tax for higher income groups, in compensation for relief for families earning less than Pta 1.5m (£7,500) a year.

The Government has sought cuts of Pta 350bn (£1.76bn) in the spending plans put forward by the different ministries, especially the heavy spending departments of Labour, Transport and Public Works. The main thrust of the cuts is in running expenditure.

The social security budget has been trimmed down by Pta 40bn (£202m) to Pta 2,740bn (£13.8bn), compared with about Pta 2,300bn (£11.6bn) last year. The state's contribution to social security, scheduled to total about Pta 500bn (£2.5bn) is reduced by the same amount.

Overall expenditure, including social security, is due to be set at more than Pta 7,000bn. It has risen spectacularly in recent years to cover new outlays on health, unemployment benefits and subsidies to loss-making companies such as the railways and the public sector mining and gas concerns.

Public sector investment, a key element in the Government's drive for 2 per cent growth and its effort to contain the 2m-plus unemployment rate, is due to rise by 10 per cent in real terms to more than Pta 1,000bn (£5bn).

Dioxin court action

Senior executives from Hoffmann la Roche are expected to appear before a magistrate in St Quentin this week over the missing 41 barrels of highly toxic dioxin, officials told AP yesterday. The barrels entered France last year from Seveso in Italy and have since disappeared.

Romanian oil output well below target

BUCHAREST – Oil output in Romania, which is struggling to meet foreign debts of $9.7bn was well below target for the first three months of this year, according to official figures.

A senior Romanian oil industry official said output was 31,000-32,000 tonnes a day (about 226,000-234,000 barrels a day).

In a year, this would mean a production level of about 11.6m tonnes (232,000 b/d) – well short of the Romanian target for 1983 of 13.5m tonnes (about 270,000 b/d).

Mr Nicolae Nicolescu, head of production at the Romanian Oil Ministry, described the figures as disappointing. He attributed the shortfall to teething problems. Under an ambitious energy programme, Romania has set itself the task of reversing dwindling oil production, which levelled off in the late 1970's and then began to fall.

Oil output last year was 11.7m tonnes (about 234,000 barrels daily).

Romania aims at producing 14m tonnes of oil next year (about 280,000 barrels daily), and 15m tonnes in 1985 (about 300,000 barrels daily), while at the same time switching electricity generation to greater reliance on coal and nuclear power and away from oil and gas.

In a separate interview, state planning committee official Mr Toma Melinte said greater stress was being placed on deeper drilling – down as far as 10,000 metres from the present 5,000 metres.

He said prospecting tests in the Black Sea had justified official optimism about offshore deposits there. Two platforms had been constructed about 50 miles offshore and could become operational next year or in 1985. Reuter

Paper wars conquer no empires

BY A.H. HERMANN, LEGAL CORRESPONDENT, IN LONDON

POOR MEMBER governments! Like the sorcerer's apprentice, they cannot get rid of the spirits which they called to life. The spirits being, of course, the institutions of the Community and, particularly, the European parliament, which they never intended to be more than a talking shop. So far it has only been capable of pinpricks. Now it seems to be poised to accomplish, with the help of the European Court and discreet support of the EEC Commission, a real palace revolution and to wrest legislative power out of the hands of the Council whose impotence, guaranteed by the rule of unanimity, is, for better or worse, the real safeguard of member states' continued sovereignty.

The preoccupation of the Council of Ministers is, as everyone knows, the subsidising of European agriculture. As for as time and money allows, it also pays marginal attention to the remaining tasks of the Community as defined by the EEC Treaty. It has almost completely neglected the programme of legislation which would accomplish a common *transport policy outlined in* Articles 74-84 of the Treaty. The Treaty provides that the Council should have agreed such legislation during the transitional period which ended some 13 years ago.

The European parliament sees in this neglect a golden opportunity for oneupmanship. It brought an action* against the Council in the European Court, asking for a declaration that the Council had infringed the EEC Treaty by failing to introduce a common policy for transport and to lay down a binding framework for the *implementation of such a policy.*

Joining the well-established alliance between the Court and the Commission, the parliament also asked for a declaration that the Council infringed the Treaty by failing to reach a decision on no fewer than 16 Commission proposals. These ranged from harmonisation of social provisions and taxation to quota regulations for inter-state road haulage.

The Council has obviously also ignored the Commission's craving for the establishment of a system for observing the transport markets and for collection of information concerning road hauliers from non-member countries. Also, it turned a deaf ear to the Commission's proposals of a Regulation for the support of infrastructure projects and, last but not least, the proposal of a regulation concerning the authorisation of scheduled inter-regional air services for passengers, mail and cargo.

Should the court be unwilling to condemn the Council on all these points, the parliament asks that it should at least declare void a Council reply of November 22 1982 about the contents of which the Official Journal report of the action is silent. I have heard of people *being made* to eat their words, and voiding of a reply by the European Court may obviate the need for this reputedly unpleasant procedure. Though I cannot find any support for the court's ability to perform such a trick in Article 173 of the Treaty to which the parliament refers, it would, nevertheless, be a most useful innovation.

But let us be serious. Even if the declarations asked for by the parliament could in any way be enforced, you can lead a horse to water, but you cannot make him drink: the Council could always adopt a common transport policy which would leave everything as it is. Which brings us back to the old wisdom that *paper wars conquer no empires*, and the Commission's paper mountain will not create a European federation, however much this might be desirable for reasons which have nothing to do with transport policy. There are even those who think that this paper mountain makes the achievement of such a federation much more difficult than it already is.

* * *

Much of this paper mountain is the product of the EEC officials' frustration. They cannot govern a federal Europe because *there is no federal* Europe. But they might serve the aim of European integration much better if they put this grand and distant task out of their minds for a while and instead applied themselves to the smaller tasks which might ultimately lead to it.

Take Article 85 and 86, the competition rules of the EEC Treaty. Their main objective is to safeguard effective, that is economically efficient, competition. They aim at eliminating abuses of market power, and at greater efficiency and technological progress for the benefit of consumers.

There is a limit to the enforcement of competition rules: the Treaty states that anti-competitive behaviour is prohibited only in as far as it adversely affects trade between member states. The Commission and the court have succeeded in reversing this: Articles 85 and 86 are no longer enforced to protect competition. Even pro-competitive business agreements, economically efficient and, as a result, likely to fortify the European Community, are being condemned in the name of a paper concept of integration.

This misconceived idea explains why Mr Frans Andriessen, the Commissioner for Competition, does not want to hear of the importance which U.S. antitrust policy — on which Articles 85 and 86 are modelled — attaches to economic efficiency. One can argue about various concepts of efficiency, some relying on immediate results and others geared to long-term changes. But, as Mr W. J. Hopper, MEP, said† recently, "Whatever measure of 'efficiency' is adopted, the Treaty has been consistently interpreted by DG IV (Competition Department) and by the court so as to place pro-competitive restrictions as secondary in importance and subordinate to the creation and maintenance of open frontiers."

Part of this policy is the Commission's stubbornness in promoting patent licensing rules which are quite unacceptable to European industry and would prove a great handicap in world competition. The same spirit pervades the drafts of regulations which are about to replace Regulation 67/67, exempting certain sole distribution agreements from the general prohibition contained in Article 85.

Taking a bird's eye view of EEC competition enforcement practice, it would seem that European trade and industry are remarkably innocent of collusive tendering, price fixing and market sharing. Or is it perhaps that the Commission has no time to see these anti-competitive practices, which weaken the European economy, because it is so totally obsessed with the idea that European integration can be achieved by protecting the little extra profit which can be made by parallel importers?

* *Case 13/83 OJ C49/9, February 19, 1983*

† *Competition Policy of the European Communities, paper delivered by W. J. Hopper, M.E.P., to the International Political Science Association on February 25 1983, reported in FT European Law Letter, April*

Bonn seeks border death report

BY JONATHAN CARR IN BONN

THE BONN Government is still awaiting a full report from the East German President, Herr Erich Honecker, on the death of a West German traveller while under questioning by East German border guards.

A government spokesman stressed after a cabinet meeting yesterday that Bonn was treating the affair very seriously and that East German explanations so far had been insufficient.

The spokesman noted that on Monday, Herr Honecker had promised in a telephone call with Chancellor Helmut Kohl that there would be a further examination of the matter and a report to Bonn.

Uncertain future for the Japanese video disc

BY CHARLES SMITH, FAR EAST EDITOR IN TOKYO

JAPAN is at long last entering the market for video disc players with a system that will compete with the established formats already produced by RCA and Philips. The VHD (video high density) system, which makes its debut today in Japan—it will not appear for a year or more on overseas markets—comes from the same stable as the phenomenally successful VHS system for video tape recorders.

The system was developed by Victor Company of Japan (JVC) and will be produced and sold by 12 or 13 Japanese electronics manufacturers. VHD eppears certain to make a major lmpact on Japan's bome market, where is only competitor will be a version of the Philips Laserdisc system, produced under licence by Pioneer Electric Company on a relatively limited scale.

Whether VHD will make the dramatie impact on overseas markets that was acbieved by VHS video tape recorders remains bard to tell.

One snag about the VHD system, according to critics and cynics who bave been qulte numerous in tho past few months, is that it may have appeared too lato on the Japanese market, or indeed on overseas markets, to havo any real chance of establishing itself before "erasable" disc players start to be manufactured in several years' time.

Tho VHD system, like those of Philips and RCA, can reproduco sound and visual images from a pre-recorded disc but cannot be used for recording new material.

The merits of the system are that it is—or should be—relatively cheap and that it offers unrivalled flexibility of access.

Video disc systems differ from video tape recorders in carrying their information on a silvered disc, to be read by laser beam, rathor than on tape played back across magnets. The programme is viewed on a tolevision screen in both systems, with stereo sound in the case of many models of video disc. The development of an "erasable" disc will end one key advantage of tape—lts reusability.

JVC is marketing the first of its new machines on the Jepanese market at Y148,000

> The success of today's launch by JVC of its video disc system could be threatened by the development of a new piece of hardware—the 'erasable' disc. But it seems certain to make an impact on the Japanese market.

(£412), complete with stereophonic sound and remote control equipment. Its video tape recorders start et Y138,000 for a non-stereo model, but go up considerably.

Tho VHD system of engraving sound and video signals in donsely packed rings of "micro-pits" on the disc surface means that the machine can be made to start playing from any of the 59,000 frames recorded on an average side.

In JVC's view, this is a valüable facility for video disc owners who want to watch "bow to" programmes on such subjects as cooking or golf. The Philips laser disc system offers similar flexibility of access, but at a higher price, while the RCA system is mainly suited to playing discs through from start to finish.

One feature of VHD—which contributed to the first of two delays in launching the system is its ability to play discs designed for any of the three main colour broadcasting systems in the world.

JVC says that in Japan ltself "interchangeability" may not matter much, but believes that it should be a strong selling point wben the system goes on salo in the U.S. This is becauso U.S. viewers like to watch "international" musie or film programmes

The largest and most important member of the VHD family is Matsushita Electrie (JVC's parent company) which plans to produce 500 sets per month of a model priced at Y149,000 and 5,000 units per month of e cheaper, Y129,000 model.

Total output of videodisc players, including those of the Philips system produced by Pioneer, could reach 200,000 units in the year after the VHD launch, according to one estimate.

Outside Japan, JVC claims to have received undertakings from Thorn EMI, American GE and Telefunken to start production of VHD "at somo timo in the future." The company's original bope, that the system would be launched in a number of markets in fairly rapid succession, appears to have faded.

One reason for this, according to JVC spokesmen, was the greater than expected difficulty of building up an edequate software "reportoire" in each overseas market.

Tanzanian devaluation proposed by IMF

By Michael Holman in Dar es Salaam

THE International Monetary Fund (IMF) has proposed a devaluation of the Tanzanian shilling of up to 70 per cent, big increases in farm prices and interest rates, curbs on wage increases and tho elimination of food price subsidies as conditions for a programme of assistance to the country's shattered economy.

Details of the proposals were released by the Tanzanian Government in Dar es Salaam when a crucial round of talks with Fund officials began this week. The talks could lead to loans of some $250m over the next three years.

The Tanzanian Government's relations with the IMF have been acrimonious since the breakdown of the last assistance programme in 1980.

A 63-page document outlining both the Fund's proposals and the Government's response has been circulated to embassies and aid donors in the Tanzanian capital.

The IMF proposals made at the last round of talks last October include:

- Devaluation of the shilling from the current rate of almost 10 shillings to the dollar to a new rate of between 25 and 35 shillings;
- A real increase in producer prices of 45 per cent for export crops and 25 per cent for food crops;
- Doubling of interest rates and a price-index linked scheme for small savers;
- A ceiling on wage increases of 15 to 25 per cent, depending on the size of the devaluation;

National Party faces defeat in three South African by-elections

Voters veer to the right of white

BY BERNARD SIMON IN JOHANNESBURG

MR FANIE BOTHA, South Africa's Minister of Manpower, does not welcome foreign journalists to his campaign office in the Northern Transvaal town of Louis Trichardt. "Wo don't send reporters to cover your by-elections in Britain," he said testily this week, "you have no business here."

Mr Fanie Botha . . . under pressure

His edginess is understandable. Despite his position as South Africa's most senior Cabinet member after the Prime Minister, Mr Botha has his back to the wall in a bitter fight for the Soutpansberg constituency, which he has represented in Parliament for the past 25 years.

Soutpansberg is one of four seats where by-elections will be beld on May 10, in what is widely regarded as the sternest electoral test for the ruling National Party since lt came to power in 1948.

Nationalist candidates have not lost an election in any of the four seats since then, but only their most die-hard supporters are prepared to place bets on a win this time. There has been talk that they are steeling themselves for defeat in at least three of the contests.

Mr F. W. de Klerk, the party's Transvaal leader, conceded at an election rally on Monday night at the Louis Trichardt high school, htat "this election is to a certain extent a crucial test."

Mr de Klerk, whose speech was interrupted when someone switched off the lights of the hall, was the latest in a string of Cabinet Ministers brought into the area to revive enthusiasm for the campaign. Even the Prime Minister, Mr P. W. Botha, has suddenly scheduled a meeting in the constituency.

In three of the four seats, the challenge to the Nationalists comes from far-Right parties, notably the Conservative Party led by Dr Andries Treurnicht, which was formed last year after 15 MPs broke away from the Government. Dr Treurnicht himself is a candidate in Waterberg which, like Soutpansberg, covers a large chunk of the Transvaal "platteland," populated mainly by deeply conservative farmers.

The CP is playing heavily on the fact that farms in both constituencies face two of South Africa's black-ruled neighbours, Zimbabwe and Botswana across the Limpopo River.

The present unrest in Zimbabwe is grist to its mill. One young farmer, who intends voting for the CP, echoes the fears of many other whites: "I'm not interested in politics. I'm interested in survival." The only way to survive, in his view, is to ensure continuing white supremacy in South Africa.

The Netional Party is having difficulty convincing voters that it can guarantee that. Its problem is that by-elections—which were triggered off by a hasty challenge from Mr Fanie Botha to Dr Treurnicht—have come at a time when the Government is trying to sell its new constitutional proposals to the coloured and Asian communities.

The Government says it will publish details of the new draft constitution before polling day, but even in the absence of the final document guidelines already disclosed have become the over-riding issue in the by-election campaigns.

The new constitution will give limited political rights to coloureds and Asians in a tricameral Parliament. It will be possible, in theory at least, for a coloured or Indian to become Minister of Finance or Minister of Defence.

This is too mnch for many whites to swallow. For a start, they worry that "anderskleuriges" (the Afrikaans word for "people of another colour") will be in charge of their children's education and the location of white and black residential areas.

They are even more concerned that the new constitution is the start of a steady process of racial integration at all levels. One questioner pointed out to Mr de Klerk in Louis Trichardt that coloureds would probably outnumber whites within 50 years. Will that mean they will be eble to out-vote whites in Parliament? be asked.

And what about the blacks, whose political future the Government has consigned to 10 fragmented tribal "homelands"? The Nationalists are "forcing the pace of integration," says e local hotelier who says he will vote for the opposition on May 10 for the first time in his life.

The Government is trying to please everyone. In the relaxed atmosphere of Cape Town, coloureds and Asians are being told that they will have full citizenship

But in the far North, it's a different story. A National Party pamphlet stresses that only whites will be represented in the "Volksraad" (parliament), implying that the coloured and Asian chambers will have an inferior status.

Mr Botha sums up his campaign succinctly. "We don't have a coloured electorate here," he says. The constitution will try to be all things to all people by dividing issues into "common" and "separate" matters.

The difficulty in distinguishing between separate and common issues is understood to be the main reason for the long delay in publishing the new constitution. The Cabinet itself is said to be divided on which matters can be legislated by each chamber and which will require a consensus of all three, in effect still giving the whites e veto.

Third World ready for battle with West over debt

BY MOHAMMED AFTAB IN ISLAMABAD AND K. K. SHARMA IN NEW DELHI

DEVELOPING countries are squaring up for a battle over debt and protectionism with their industrialised trading partners before the Williamsburg summit in May.

heir case is to be argued et key meetings later this month in Washington and New Delhi.

Mr Ghulam Ishaq Khan, Pakistan's Finance Minister and chairman of the IMF's Development Committee which meets in Washington on April 28, said in Islamabad yesterday that Third World debt and Western protectionism would be two key issues.

Mr Khan said the aim of the meeting was "to think of measures to avoid sharp fluctuations in the level of bank credits."

Another objective was "to reduce the present reliance on private banks through an orderly edjustment of domestie economies of debtor nations," he went on.

The committee is likely to emphasise the necessity of maintaining financial flows to developing countries from both bilateral and multi-lateral sources. Mr Khan implied that if this did not happen, the banking system could be faced with e colossal debt problem and "near-refault" from big Latin American and other borrowers.

The developing countries want moves allowing them to sell more in the industrialised markets.

"Trade is figuring in the development committee for the first time," Mr Khan said. "It is important, because there are linkages between trade and promotion of development," he added.

In New Delhi on April 29-30, 11 non-aligned countries are due to discuss ways of persuading the industrialised countries to resume the stalled dialogue on North-South issues.

They are particularly concerned that the Williamsburg summit of seven industrialised countries does not plan to discuss North-South issues. These were last taken up at the Cancun summit.

The Delhi conference will consider whether to form a small committee of heads of state, with Mrs Indira Gandhi, the Indian Prime Minister, as chairman, which would visit capitals of the industrialised countries.

Decline likely in Arab oil aid flows

By Francis Ghilès

BILATERAL AID flows from Arab oil producers to developing countries are expected to decline as a result of the revenue losses caused by lower oil prices and demends.

According to M Bonalem Benhamouda, Algeria's Minister of Finance. Opec countries face a revenue loss of $50bn this year. He was speaking in Algiers at the close of a two-day meeting attended by Finance Ministers, central bankers and representatives of Arab aid institutions.

M Mohamed Al-Imadi, director-general of the Arab Fund for Economic and Social Development, told the conference that the multilateral aid funds were less vulnerable to cuts than direct aid given by individual governments.

These funds, however, only accounted for one-third of the $36.1bn overall aid disbursed by the Arab oil producers between 1973 and 1981.

A committee of Finance Ministers from Saudi Arabia, Algeria, Kuwait, Jordan, Sudan and Tunisia has been set up to consider ways in which the Arab funds could replenish their capital.

Israeli pull-out talks deadlocked

BY DAVID LENNON IN TEL AVIV

IHOPES expressed last week of an early breakthrough in the talks on Israeli withdrawal from Lebanon may have been over optimistic.

Mr Philip Habib, President Ronald Reagan's special envoy, met Mr Yitzhak Shamir, tho Foreign Minister, in Jerusalem yesterday, but offered no new ideas for breaking the stalemate, according to Israeli officials.

It had been hoped thet Monday's bombing of the U.S. embassy in Beirut might spur the withdrawal talks. But it is becoming clear that there are two major sticking points and several lesser issues which have not been resolved in over 30 meetings between Israeli, Lebanese and U.S. officials in the past four months.

The major disagreement is over the future of Major Sa'ad Haddad, the leader of the Israeli-backed southern Lebanese militia. Beirut wants to dismiss him, while Israel wants him in charge of security in the south after the withdrawal.

Almost as intractable is the future role of Unifil, the UN peace-keeping force. Israel wants to see it removed from the south, while Lebanon wants lt placed in charge of protecting the Palestinian refugee camps.

It is now believed that these issues can only be resolved et the highest levels in Jerusalem and Beirut, possibly with the intervention of senior figures in the U.S. Administration.

Nora Boustany reports from Beirut: Dr Elie Salem, Lebanon's Foreign Minister, complained strongly yesterday over the why his country finds itself a victim of regional and superpower rivalries.

"It is unfortunate that, whoever is the target, Lebanon is always the victim. When Israel fights the PLO, Lebanon is the real victim. When Syria fights Israel, Lebanon is the victim. Whan America and the Soviets compete inside Lebanon, it is the victim," he told a press conference.

Lebanese security officials have confirmed 42 deaths and 48 people missing who are presumed dead following Monday's blast blast.

Prem attacks Hanoi 'inhumanity'

BY RICHARD COWPER IN JAKARTA

GENERAL Prem Tinsulanonda, the man expected to become Thailand's next Prime Minister, yesterday called for an urgent settlement of the Kampuchean probiom, amid reports of continued fighting on the Thai-Kampuchean border.

In a speech to mark tho opening of a UN conference on regional co-operation, Gen Prem told representstives from more than 50 countries that "repeated indiscriminate and inhumano military actions" by the Vietnameso along the border had lod to a sharp increase in tension.

International aid workers said that fighting between Khmer Rouge guerrillas and Vietnamese troops in the vicinity of Phnom Chat entered its third day yesterday.

They said tho clasbes were taking ploce just over e mile inside Kampuchea, east of the strategically important mountain stronghold overrun by Vietnamese troops early this month.

There were also unconfirmed reports from Thai military headquarters on the border at Aranyaprathet of battles between the Khmer Rouge and tho Vietnamese further south.

Some military analysts say the incidents in both areas are part of a counter-offensive by the 30,000-strong Khmer Rouge to prevent the Vietnamese from achieving further military victories in the few remaining weeks before the onset of the monsoon.

A U.S. merchant vessel meanwhile arrived in Thailand yesterday carrying the third and final accelerated shipment of arms and military equipment. Included in the delivery were extended-range howitzers from U.S. army stocks. All the material was purchased by Thailand under the U.S. foreign military sales programme.

Andrew Fisher reports from Hong Kong: Hong Kong will present a stony face to any Vietnamese refugees arriving on its shores this summer. Anxious to prevent e major influx in the warm months, it is making clear that arrivals will not be welcomed—though they will not actually be sent home.

Around 8,000 came in last year. While numbers are down so far this year, the Government is doing its best to discourage others by emphasising that they will be shut up in special camps and not resettled in the colony.

Hong Kong now has some 12,300 refugees in open and closed camps—about 200 less than at the start of 1983, but at least 2,300 above the end-March level of 1982. A total of 96,000 refugees who have arrived in Hong Kong since 1975 have been resettled, chiefly in North America.

Spring thaw arrives late for Detroit car companies

Dan McCosh explains why any improvement in the market for new cars will be welcome

THE car sales figures are part of the rites of spring in this Midwestern city, along with the opening day of the baseball season and the ice melting in the Detroit River

But long after the disappearance of the ice and the first home game, the spring thew is only just beginning to seep into car showrooms. First quarter sales et 2m units were only 5 per cent better than the dismal 1982 figures, when the U.S. car industry bed its worst year in two decades.

Regardless, U.S. car makers continne to increase the pace of their production lines in anticipation of an overall improvement by the end of the current model year. Prodnction for the first quarter was np 31 per cent compared with the previous yeav, eccording to Ward's Automotive Reports, a trade publication. Prodnction levels for the third quarter are expected to be up 22 per cent on the previous year.

These trends partly reflect the uneven success of some new cars introduced in the 1983 model year. The increase in ontput is also dictated by the low level of stocks of uew cars, so that increased prodnction will be necessary to maintain even small increases in sales.

Although total U.S. sales have ehown only slight improvement so far in 1983, imports continue to suffer less in the current recession. A noticeable trend towards large cars has elso been gaining momentum as petrol prices fall.

The two trends reflect a kind of polarisation taking plece as U.S.-built small cars lose ground to imports, principally from Japan, and the traditional full-size U.S. product, which has less import competition, gains strength.

Sales analyses published by Wards Reports show full-size domestic cars taking 24.8 per cent of domestic sales, compared with 20.2 per cent the previous year. The shift, which took place at the expense of small domestic cars, has already prompted the closing of several production plants. Imports continue to gain ground, however, setting a March record of 28.8 per cent.

The declining popularity of U.S. small cars has raised concern in some quarters thet U.S. manufacturers have overbuilt small car production capacity. This view is partly supported by the fact that both Ford and General Motors have been eliminating shifts and considering closing edditional small car plants. Conversely, Chrysler has announced that it will continue prodnction of its full-sized New Yorker model luxury car which was originally planned to he discontinued at the end of this model year.

Volkswagen, which assembles its small Rabbit in the U.S., has cancelled plans to build a second plant and recently sold the facility to Chrysler which will be building a new small mid-sized car there.

Also, of concern are U.S. regulations instituted during the 1974 energy crisis, that set minimum average mileage per gallon for manufacturers. Of little meaning when the public preference was for smaller cars, both GM and Ford have seen their averages worsen recently and may soon run a foul of the rules.

But the swing to larger models enhances earnings potential for U.S. car makers, since it means a larger sales proportion of the more profitable big cars. GM plans to introduce this autumn a new series of full size cars, smaller than the models they replace but still big by European standards. Ford, which is introducing compact models this spring, plans to follow in two years with a new line of full size cars.

Adjusting to the apparent shift in buyer preference is easily accommodated, however, since much of the U.S. industry is running at less than 50 per cent of capacity. Any kind of sales upturn is welcome.

The spring figures are being watched closely for signs of an end to the recession thet has plagued the U.S. industry since 1979. There have been some signs of encouragement in the early days of April, with GM reporting sharp gains on last year's depressed sales.

The last good year for the U.S. car industry 1979, saw a total of 10.4m cars delivered, 22.7 per cent of them imports. U.S. sales dropped 14.4 per cent the following year, with a simultaneous sharp increase in import penetration to 28.2 per cent. By the end of 1982, the total was 8m, 27.9 per cent imports, with U.S. car production running at levels 46 per cent below 1979.

U.S. CAR INDUSTRY
(Including General Motors, Ford, Chrysler, Volkswagen of America and American Motors)

1982	Sales	Production
January	368,138	279,272
February	456,942	323,709
March	575,698	467,290
April	498,630	487,260
May	584,074	573,296
June	451,430	563,990
July	429,908	452,413
August	409,411	361,432
September	488,452	422,190
October	487,871	415,284
November	558,146	404,249
December	448,048	394,605
1983*		
January	414,140	433,945
February	442,479	496,497
March	597,705	575,073

* Including Honda from January.

Source: Ward Communications

Canada announces recovery programme

By Jim Rusk in Ottawa

CANADA'S Finance Minister, Mr Marc Lalonde, has announced a mildly reflationary budget in an attempt to boost the flagging economy and to restore private sector investment.

The centrepiece of his budget is a C$4.8bn (£2.6bn) "special recovery" programme of public works spending and tax and incentives measures for business. The public works spending will be concentrated in the first two years of the four-year programme.

The tax measures in the budget, which was announced on Tuesday night, mean that individuals will face a slightly increased tax burden over the next two years. However, the business tax burden will be reduced by C$1.9bn.

Business will benefit, however, especially from an extension of the periods over which companies can carry tax losses and investment tax credits forwards and backwards.

By the time the changes are phased in fully next year, business will have a three-year carry back and a seven-year carry forward for tax losses and tax credits. The effect over the next two fiscal years will be a business tax reduction of C$1bn.

The other major business measures include a refundable investment tax credit, through April 1986, a tax credit scheme to promote the sale of new equity issues, incentives for research and development, and the suspension of the incremental oil revenue tax on energy companies for a year from June 1.

However, even with the special programme, the budget was only cautiously reflationary. Of the C$31.3bn deficit predicted for the current fiscal year only C$1.9bn will be contributed by budget measures.

Any stimulus in the later years of the recovery programme will to some degree be offset by a one percentage point increase in the federal sales tax which will take effect in the autumn of 1984 and run to the end of 1986.

On the Canadian economy's performance this year Mr Lalonde predicted that real growth will be 2.3 per cent, following a 4.8 per cent decline in 1982.

PROPAGANDA COUP FOR REAGAN ADMINISTRATION

Brazil seizes Managua-bound arms

BY REGINALD DALE, U.S. EDITOR IN WASHINGTON

BRAZIL'S interception of four Libyan aircraft carrying arms and explosives to Nicaragua, officially described as medical supplies, has given the Reagan Administration a dramatic and much-needed propaganda coup at a time when its Central American policies are in deep trouble on Capitol Hill.

The Administration has long argued that Soviet-supplied arms are being channelled to the left-wing guerrillas fighting the U.S.-becked government of El Salvador via Cuba and Nicaragua. But the evidence it has produced so far has been patchy and has failed to convince sceptics.

The Administration has not so far accused Libya, about which it has an almost fanatical obsession, of sending arms to Nicaragua for passing on to the El Salvador guerrillas, although it has claimed that there are Libyan military advisers, among a host of other "Soviet surrogates," in Nicaragua.

News of Brazil's interception reached Washington shortly after President Ronald Reagan's request for $110m (£70.5m) in emergency military aid for the El Salvador Government ran into further difficulties in Congress. The Foreign Affairs Committee followed a sub-committee recommendation and voted to block $50m of the aid.

Some of the funds could be restored on the House floor, but the Democrats want total military aid for this year, and 1984 and 1985, limited to $50m. They are waiting to see what happens to the remaining $60m of Mr Reagan's request, which is still before congressional appropriations committees.

Congress has so far this year voted just $26.5m in military aid to El Salvador, $60m less than the country received last year. It has also expressed mounting opposition to the Administration's covert support for the right-wing guerrillas fighting the Sandinista Government in nearby Nicaragua.

The Administration now views the situation on Capitol Hill as so desperate that Mr Reagan is thinking of making a major speech on Central America in the near future, possibly taking the unusual step of addressing a joint session of both Houses of Congress.

The four Libyan transport aircraft, one American C-130 and three Soviet Ilyushins, were tracked by U.S. intelligence from the moment they took off from Libya last week.

According to U.S. officials, they were refused refuelling facilities in the Cape Verde Islands and returned to refuel in Mauritania.

After crossing the Atlantic, they were refused permission to overfly Venezuela. They then requested a "technical" stopover in Brazil, declaring that they were carrying "ambulances, hospital equipment and medical supplies" to Managua, the Nicaraguan capital.

After searching the aircraft and uncovering loads of small arms and explosives, Brazil protested vigorously to Libya for its "abuse of good faith."

One ironic complication was that the Libyan C-130 had broken down in Recife, on the northern Brazilian coast, and needed U.S. spare parts for engine repairs.

On the political front, Mexican and U.S. officials confirmed that the Mexico City meeting earlier this week between Mr George Shultz, the U.S. Secretary of State, and Mr Bernardo Sepulveda, the Mexican Foreign Minister, had done little to resolve the differences between the two countries over Central America. It was expected that Mr Reagan would go to Mexico later in the year to meet President Miguel de la Madrid.

In El Salvador, General Eugenio Vides Casanova, the new Defence Minister, promised major changes in the conduct of the war against the guerrillas.

He warned, however, that the war would be lengthy. "We have to analyse where we are failing and if there are adequate persons leading the war," he told the country's constituent assembly.

Andreeo Whitley in Rio de Janeiro writes: President Joao Figueiredo of Brazil is to decide personally whether the weapons bound for Nicaragua are to be returned to Libya, along with the four aircraft.

Yesterday he appeared to be coming under pressure from the U.S. to confiscate the cargo of the Libyan aircraft on the grounds that a false declaration had been made by Libyan authorities.

Basle bank supervisors attacked

By Our Washington Correspondent

THE Basle Committee of international bank supervisors, which is headed by Mr Peter Cooke, of the Bank of England, was severely criticised in Congress yesterday for its secrecy and its failure to prevent the recent world banking crisis.

Mr Fernand St Germain, the influential chairman of the House Banking Committee, lay part of the blame on members of the Basle group because they "watched while international lending expanded out of control at record-breaking rates."

He added: "I am personally converned about the relative secrecy surrounding this committee's action and I feel that a far greater degree of accountability should be needed in future."

Mr St German was opening a series of hearings into ways of improving regulatory controls on international bank lending.

Although U.S. bank supervisors have already come in for a lot of criticism this is the first time the U.S. legislators have extended their attacks to foreign supervisors and the Basle comittee.

Mr St Germain said he met Mr Cooke last week and he decried the fact that "few Americans hed even heard of the Basle comittee. This is not as it should be because its decision affects the bank regulatory framework in every member nation, including our own."

Like its Senete counterpart, the House Banking Committee is intent on producing more international banking legislation.

The tone of yesterday's hearing, which included heated exchanges between Congressmen and representatives of the banking industry, suggests the House will try to crack down harder on banks and their supervisors.

Strikers vote on Caterpillar offer

WORKERS AT Caterpillar Tractor's U.S. plants will be voting in the next few days on proposals which could end the strike that has shut most of the company's U.S. operations for more than six months. The outcome of the vote remains uncertain.

Officials of the United Autoworkers Union said on Tuesday they had reached a tentative settlement with the company, the world's largest manufacturer of heavy construction machinery. However, in a separate statement, the union's central bargaining committee said it had voted not to recommend the offer.

Dutch companies win £44m orders from Taiwanese

BY WALTER ELLIS IN AMSTERDAM

TAIWANESE businessmen in the Netherlands to mark the inaugural flight by China Airlines to Amsterdam, have spent a total of Fl 175m (£44m) on orders with Dutch companies.

Mr Piet Hanrath, a director of the Netherlands Council for Trade Promotion, said that the orders had expanded the links between Taiwan and the Netherlands and had given rise to hopes that further contracts might follow.

This week's placements have lifted the Netherlands from seventh to fourth place on the list of Taiwan's European trading partners, after West Germany, the UK and France. Last year, Dutch exports to Taiwan rise by 6 per cent while imports went up by 19 per cent. Mr Wellinton y Tsao, head of the business delegation, said that he felt trade between the two countries would continue to grow.

The fact that, for a variety of reasons, the Netherlands and Taiwan appear to be upgrading their commercial relations, has raised howls of protest from Peking, which sees the build-up of contacts as evidence that The Hague is now little concerned with its "one China" policy.

Two years ago, the Chinese reduced their diplomatic links with the Netherlands to charge d'affaires level when it was anounced that RSV, a Rotterdam-based shipbuilder, was to construct two submarines for the Taiwanese navy. RSV has since gone into receivership and there is considerable doubt about the completion of the vessels, but Peking remains concerned that fresh money might be pumped into the project by Taiwan, thus cementing links already too firm for its peace of mind.

Most recently, the new air link between Taipei and Amsterdam, operated by KLM and China Airlines, has caused the Chinese to ban the Dutch airline from using Canton as an alternate airport in East Asia.

The Dutch Government has described this action as "childish" and insists that it is still a firm adherent to the concept of one China.

The latest batch of orders includes a Fl 90m contract with RSV for the supply of industrial boilers.

Jellicoe seeks better data flow

By Nick Garnett, Northern Correspondent

GREATER pooling of information from Department of Trade and Foreign Office officials and trade missions abroad would be encouraged further to promote exports, Lord Jellicoe, the new chairman of the British Overseas Trade Board, said yesterday.

In his first meeting with the media since taking over as head of the BOTB earlier this month from Lord Limerick, he said he wanted to see more "cross fertilisation" between trade missions and Government staff.

It was crucial that Trade officials got "out at the coal-face" by spending as much time as possible in the areas to which Britain exported.

The former chairman of Tate and Lyle was attending a banking for exports conference in Manchester.

He said the almost "universal" complaints five years ago, of poor quality and delivery times for British exports were also much less *in evidence*. But the conference was told that 60 per cent of all initial batches of documents from potential exporters presented to banks, and their letters of credit contained at least one document that was in some way *flawed*.

Phone makers close to Kuwait deal

BY DAVID MARSH IN PARIS

PHILIPS of the Netherlands and CIT Alcatel of France, the two European electronics companies which have teamed up to develop mobile telephone systems, believe they are close to winning a FFr 1.5bn (£150m) contract to supply a radio-telephone network to Kuwait.

The contract is not yet finalised but the companies hope to sign it within three months, according to CIT Alcatel officials in Paris. Clinching of the order would represent a significant step forward for the MATS-E cellular radio standard which the two companies agreed to promote on world markets at the end of last year.

Jostling among rival groups of international electronics companies to establish their mobile communications systems around the world is now at a crucial and highly sensitive stage.

The British Government in February irritated CIT Alcatel, which is France's leading telecommunications company, by choosing a rival U.S.-based cellular radio system as the basis of the UK radio-telephone network due to start in 1985.

The decision was branded by M Jean-Pierre Bronet, the chairman of the nationalised Compagnie Generale d'Electricite group which owns CIT Alcatel, as a "great disappointment" which harmed the cause of European collaboration.

Negotiations on future harmonisation of standards in European countries are still at a highly fluid stage. But CIT Alcatel hopes it is on the point of establishing a communications scheme based on the MATS-E standard as the prime European system.

Officials are hoping for agreement soon between five European countries—France, Italy, West Germany, Switzerland and Belgium—to choose a joint standard for radio-telephones. This could be a hybrid between the MATS-E system and that being developed by Siemens of Germany. Significantly, Thomson-CSF, the other main French nationalised electronic company, is thought to be preparing to collaborate with Siemens.

This would then leave Britain—which has opted for the TACS cellular radio system based on the U.S. AMPS standard—isolated in Europe.

French officials say that Britain is, anyway, unlikely to get the TACS system under way by the starting date fixed by the UK Government of January 1, 1985. Because of the technical difficulties of modifying the AMPS standard for use in Britain, they believe a more likely starting date is the beginning of 1986. This is the date by which the MATS-E system—which at the moment exists merely on paper—is planned to be ready.

The Kuwait order, on which the French and Dutch have been negotiating for some time in the teeth of international competition, would mark the first operation of the MATS-E standard.

The contract would provide mobile or portable systems for the large number of 100,000 subscribers.

Cellular radio allows the widespread use of cheaper and more reliable mobile telephones than at present by making more efficient use of available frequencies.

UK exporters lose cover on sanctions

By Christian Tyler, World Trade Editor

BRITISH exporters are no longer able to insure themselves against losses caused by U.S. economic embargoes.

The Export Credits Guarantee Department confirmed yesterday that it had advised exporters, in the wake of the U.S. Siberian gas pipeline embargo, that it could not meet claims arising out of such action in future.

The ECGD took this step last summer, but tha move was not publicised. The move appears to have been made on commercial, rather than political grounds.

The department's decision has a bearing on the controversy now building up around the U.S. Administration's efforts to tighten enforcement of export controls, particularly on technology transfers to the Soviet Union.

U.S. companies are pressing for insurance against losses caused by future embargoes, but the Administration is resisting the idea.

Mr Lionel Olmer, under-secretary at the U.S. Department of Commerce, has said that such insurance would be extremely difficult to administer and would create "a fertile field for litigation." Some observers believe the U.S. Congress may, however, insist on some provision.

Japan set to allow rise in U.S. beef quotas

BY JUREK MARTIN IN TOKYO

JAPAN IS expected to tell the U.S. next week that it is willing to accept some increases in quotas on imports of American beef, oranges and other agricultural produce.

The Japanese position will be presented in talks in Washington by Mr Hiroya Sano, director general of the economic bureau of the Ministry of Agriculture, Forestry and Fisheries.

According to a report in yesterday's Asahi Shimbun, Japan will offer to increase quotas on beef and oranges by 30 per cent and 10 per cent respectively over the three years beginning next March.

Such an expansion is unlikely to satisfy the U.S., which was bitterly disappointed at the end of last year when a previous negotiating session in Honolulu took place without any substantive Japanese offer.

The fact that Japan is now prepared to table what it felt unable to in Honolulu is considered a minor victory for the Agriculture Ministry, in the face of stiff opposition from farmers.

The Ministry's position is that Japan's commitments under the Tokyo Round trade agreements and present trade frictions both mandate some sort of offer, however small.

The farm lobby, on the other hand, continues to argue that any increase in quotas would be deleterious to domestic agriculture and would result in negligible gains for the U.S. in its attempt to narrow its overall trade deficit with Japan.

EEC backs away from confrontation with Tokyo

BY ANTHONY McDERMOTT IN GENEVA

THE GENERAL Agreement on Tariffs and Trade (Gatt) yesterday agreed to refer to further meetings the question of setting up a working party as requested by the EEC to examine the problems of access to Japan's import market. At a meeting of Gatt's council, the EEC appeared to back away from direct confrontation, preferring instead that consultations on the issue continue.

On April 8, the EEC submitted a request to the Gatt that a working party be set up to examine the reasons for the imbalance in EEC-Japan trade. The request said that "the present situation constitutes a nullification or impairment by Japan, of the benefits . . . accruing to the European Community under the Gatt, and an impediment to the attainment of the Gatt's objectives." An accompanying table shows that the ratio of EEC exports and imports to and from Japan had fallen from 100 per cent in 1963 to 34 per cent in 1981.

A working party is a board of examination which includes the interested party. By contrast, a panel, which is the other resort in Gatt disputes, is a smaller body consisting of independent members who pass judgment on an issue in a personal capacity.

Yesterday, Mr Tran Van Thinh, the EEC representative, said that the original request for a working party still stood, but that some encouragement could be taken from Japanese Government measures earlier in the year.

On January 26 and March 28 Japan submitted government documents on tariff changes and "the improvement of . . . standards and certification systems" as a means of liberalising and simplifying procedures for inspecting manufactured goods.

Mr Kazuo Chiba, the Japanese ambassador, said in reply that he would explain these measures, that he wanted the Gatt to be strengthened, and that Japan was ready to continue the dialogue with the EEC. He also pointed out that the present global economic climate had created circumstances in which it was difficult for the Gatt to operate. He concluded by "reserving" Japan's position—in other words postponing or suspending the issue until another time.

A clue to the EEC position and the temporary outcome perhaps lies in the reactions of three delegates not directly involved in the dispute. One noticed in the debate, that the subject of dispute—Japan's protection of its market—was too broad.

Another commented that the mere submission of the request for a working party had had "a psychological impact on Tokyo." But a third observed that the measures enacted earlier this year, while they looked good on paper as the official record of changes, did nothing to affect the real issue which was the penetration of a domestic market reluctant to buy EEC goods.

Twine maker breaks into Europe

By Lorne Barling

A SMALL Midlands concern which has recently become Europe's largest manufacturer of twine for industrial packaging has demonstrated the value of winning the confidence of an associated foreign company, in this case a Swiss manufacturer of mechanical tying machines.

Powerstrapex now produces around 2,700 miles of polyethelene twine a day, and is exporting around 65 per cent of its recently-increased production, mainly to the European community.

The Witton-based company, a subsidiary of the GKN engineering group, has won export contracts valued at £2.5m and on the strength of these has invested around £500,000 in a second production line, according to Mr Bill Parker, its managing director.

This success has stemmed largely from its links with Strapex of Switzerland, a leading manufacturer of string and strap tying machines, which will handle anything from small postal packages to pallets of goods.

Powerstrapex has been marketing these machines in Britain for some years and selling twine and strapping to home customers. Its breakthrough on the Continent came at the start of last year when an agreement was signed with Strapex to supply its European subsidiaries and agents with twine.

This "chosen supplier" agreement has opened up a large and steady demand, based on a negotiated price linked to raw material costs. This covers a four year period and includes a guaranteed minimum offtake by the purchaser.

Mr Parker said: "We were fortunate in being able to reach an agreement of this kind. The market is also growing because every additional machine sold by Strapex generates more demand. The deal also means that Strapex's subsidiaries throughout Europe are guaranteed price stability for our product, subject to raw material costs."

He suggested that there were probably more opportunities of this kind for British companies with marketing links on the Continent, and stressed that the advantages could be considerable.

Powerstrapex, which has an annual turnover of around £3.5m, was able to secure the contract by cutting costs on the production of a highly priced sensitive product, through investment and on the purchase of raw materials.

"We believe we are less labour-intensive than our competitors and have achieved economies of scale on production, giving us an edge of a few pence per kilo," Mr Parker said.

The company now has the capacity to manufacture 800 tonnes of twine a year, and is working near to that level to meet demand in Switzerland, Germany, France, Denmark, Portugal, the Netherlands and countries outside Europe.

Currency movements have recently been helpful in some respects, but much depends on the cost of the primary raw material, high-density polyethelene, which is bought from a number of sources, including Hoechst in Germany.

The use of plastics for industrial bindings has increased rapidly in recent years, due to its relative cheapness and high strength-to-weight ratio, with automation adding to its cost-effectiveness.

Around 2,500 Strapex machines have now been sold in the UK and their continuing sales account for around 30 per cent of Powerstrapex's turnover.

UK NEWS

Japanese make big inroads into £60m excavator market

BY IAN RODGER

THE LATEST sector of UK manufacturing to suffer significant Japanese penetration is construction equipment and, in particular, the £60m a year hydraulic excavator market.

These are the all-purpose diggers that can be seen at almost every construction site. Indeed, their versatility is shown by the total sales figures. Although the construction equipment industry generally is depressed, demand for excavators was 30 per cent higher last year than in 1976.

The surprising elements are the dramatic decline of the former UK market leader, Hymac, and the equally dramatic rise of two Japanese manufacturers, Hitachi and Komatsu.

In 1976, Hymac alone had 32.3 per cent of the market and Massey-Ferguson's Hanomag subsidiary had a further 6.0 per cent. Since then, both companies have been absorbed in the IBH group of West Germany led by Herr Dieter Esch.

IBH attributes the decline in its market share partly to an unsuccessful switch from direct sales to dealers three years ago. Many of the dealers have been changed in the past year.

Hymac also suffered from having almost no models over 12 tonnes. As in other types of equipment, customers have been demanding bigger models in the past few years.

IBH has moved to correct the deficiency, introducing a number of new models at the recent equipment show in Munich. Now it is confident it will start rebuilding market share.

Of the other British manufacturers, the Priestman subsidiary of Acrow has lost considerable ground and Ruston-Bucyrus has made only modest headway.

J. C. Bamford, on the other hand, has slightly improved its share and is an impressive number two in the market.

Other European manufacturers have roughly held their market shares over the past six years, with the exception of the two French groups. Despite persistent financial problems, market leadership from Hymac. Poclain has a reputation for being able to add special attachments to meet customer requests.

Richier, which has also been plagued by financial difficulties, has gone the other way. Ford acquired Richier in 1972 but pulled out in 1979. The company's affairs were put in the hands of the courts in 1981. Two months ago, the French Government agreed to aid a takeover of Richier by the Ardennes-based Poncin hydraulic shovels company.

The big story is the astonishing advance of the Japanese manufacturers, Hitachi and Komatsu. They were not active in the UK market six years ago, but today they have nearly a 17 per cent share between them.

Hitachi has been in the UK for about four years and has already surpassed long-established suppliers, such as Orenstein & Koppel and Liebherr, both of West Germany. Komatsu was launched in the UK market only 18 months ago and is already half way up the league table.

Cost-cutting Xerox is to axe 1,100 more jobs

BY JASON CRISP

RANK XEROX, the leading photocopier company, is to cut 1,100 more jobs at its main UK factory at Mitcheldean, Gloucestershire.

The company is reducing its Mitcheldean workforce of 2,100 to 1,000 during the next two years. This follows just over 1,000 redundancies made in two stages beginning last autumn. At its peak Mitcheldean employed 4,800 in 1977.

The company also manufactures at Welwyn Garden City, Hertfordshire, in Venray in the Netherlands, Lille in France, and Coslada in Spain.

Rank Xerox said the cuts were necessary because of technical advances and the need to reduce costs to meet intense competition. During the past two years Rank Xerox and its U.S. parent Xerox have reduced their 120,000 workforce worldwide. The group has had to trim manufacturing costs to try to match its major competitors from Japan.

The Mitcheldean plant has also been affected by the changes in the copier industry. Its main product used to be very large copiers which were labour intensive to make. Production has become more automated and demand has been flat.

Mitcheldean also makes small copiers, one of the markets major growth areas, but small copiers are assembled from kits supplied by Fuji Xerox in Japan.

Banking workers threaten new action

THE 92,000-member, non-Trades Union Congress Clearing Bank Union (CBU) is threatening its first ever industrial action in an attempt to force the English clearing banks to accept arbitration on pay.

The union's annual conference in Birmingham has voted to step up a campaign for arbitration if conciliation by the Advisory Conciliation and Arbitration Service fails to produce an "acceptable increase" in the banks' 4.75 per cent offer to their 170,000 clerical staff.

That campaign would include "actions designed to encourage the employers to reconsider their decisions, such as non-participation by all-CBU members in voluntary unpaid overtime."

Several delegates doubted whether the actions, although very mild by the standards of more militant unions, would be supported by members, or whether they would have much influence on the banks.

Pension fund company formed

THE British Linen Bank, a Bank of Scotland subsidiary has formed a new fund management company to handle pension funds, investments and unit trusts.

The new company, British Linen Fund Managers, will take over management of the Bank of Scotland's pension fund and will seek further fund accounts. It will also take over the fund management activity of the bank, including Melville Street Investments and Creative Capital Fund, a business start-up scheme.

Go-ahead for £9m coal terminal

THE Port of Tyne Authority has announced the go-ahead for a £9m coal handling and shipping terminal at South Shields. Work will start in two or three months for completion in the spring of 1985. The contract is expected to be awarded to Cementation Construction.

150m paint cans

THE UK paint industry uses about 150m metal containers a year, not 150,000, as stated in Tuesday's report about forthcoming trial sales of Dulux paint in plastic cans.

Labour will discuss pay guidelines, says Foot

BY JOHN LLOYD AND PHILIP BASSETT

THE NEW agreement between the Labour Party and the unions allows discussions on pay guidelines with a future Labour Government, Mr Michael Foot emphasised yesterday.

In the first of a series of electioneering speechers to union conferences, the Labour leader said: "We have negotiated a genuine deal – a genuine trading of rights and responsibilities – a deal that will stick."

He was addressing the annual conference of the Right-led Amalgamated Union of Engineering Workers (AUEW), Britain's second largest union. Immediately afterwards the union unanimously backed the Labour Party-TUC National Economic Assessment, which includes talks on pay restraint.

A motion reaffirming the union's support for free collective bargaining was also rejected, opening the way for a reversal of the TUC's support for free collective bargaining.

Mr Foot said Labour was ready for an election at any time and accused Sir Geoffrey Howe, Chancellor of the Exchequer, of supporting the call for an early election "because he doesn't believe his own economic prophecies."

Mr Foot said the Government was planning the destruction of the welfare state to pay for unemployment and that since the Tories came to office 50m days have been lost in strikes, "an increase of 40 per cent on the record of the Labour Government."

The centrepiece of the speech was a promise of full co-operation between Labour and the unions, and the "re-establishment of a proper system of industrial relations."

Mr Foot said: "An increase in trade union power, which can come with economic growth, can be highly beneficial for the country as a whole. It will be extended into industrial democracy so that people will have a voice in the major decisions which employers take about their working lives."

He also warned that "new rights bring new responsibilities", and said co-operation on pay might be necessary, "especially if recovery plans were threatened by a balance of payments crisis or galloping inflation."

Mr Foot did not duck the disarmament issue, despite earlier criticism of his unilateralist stance from AUEW president Mr Terry Duffy.

His statement, however, did not amount to clear support for unilateralism. He said: "We are proposing a non-nuclear defence policy – but that doesn't mean throwing away our weapons. It does mean abandoning the nuclear boomerang, which won't do us any good anyhow, and it does mean working with other countries to stop the nuclear arms race."

Pay settlements in manufacturing estimated at 5.6%

BY MAX WILKINSON, ECONOMICS CORRESPONDENT

AVERAGE pay settlements in manufacturing industry for the first three months of this year were 5.6 per cent, according to the latest estimate published yesterday by the employers' body, the Confederation of British Industry (CBI).

However, government figures, also out yesterday, showed that total earnings including overtime and other payments rose by an underlying 7¾ per cent in the 12 months to February.

This was the same as the annual rise to January, but compares with an underlying rise of 10¾ per cent in the 12 months to February last year.

The February rise in earnings was 2½ percentage points ahead of the inflation rate for the same period. It suggests that wages may still be increasing at a rather faster rate than the Government would like.

Although the inflation rate is expected to rise during the summer, partly for technical reasons, the Government's hopes of making further progress against inflation depend very largely on achieving moderate settlements in the current wage round which began in September.

The earnings figures, from the Department of Employment, still reflect the last pay round to a large extent, since only about a quarter of workers have settled so far in the current round.

The largest number of deals will be reached between April and July.

This may help to explain the Government's recent encouragement of the banks when they lowered their interest rates by half a percentage point. If they had not done so, the mortgage rate would probably have gone up which would have increased pressure for higher wage settlements.

The latest estimate of management salaries from the British Institute of Management, also published yesterday, shows that last year executives' basic pay rose by 9.7 per cent to an average of £15,450 per year.

This compared with an underlying increase in average earnings for the whole workforce of 8 per cent in the 12 months to December.

The Department of Employment's figures for average earnings yesterday showed a total rise of 9.2 per cent in the 12 months to February. But this figure is estimated to have been inflated by about 1½ percentage points as a result of the back-dated pay award to the nurses and health service workers.

Defence system for merchant shipping

By Bridget Bloom, Defence Correspondent

THREE British companies have combined to produce a containerised air defence system which would enable Sea Harrier aircraft or helicopters to operate from merchant ships in time of war.

British Aerospace, Fairey Engineering and Plessey have developed the Scads concept – Shipborne Containerised Air Defence System – as a way of giving merchant ships an effective air defence capability. Mr J. F. Bowder, of British Aerospace Dynamics, told a symposium yesterday that Scads was rapidly assembled, flexible in use and adaptable to different types of merchant ships.

The symposium, on the wartime adaptation of merchant ships, is taking place a year after the Falklands campaign began, in which the Ministry of Defence requisitioned over 50 merchant ships from 33 companies.

Rear Admiral A. J. Whetstone, assistant chief of naval staff at the Ministry of Defence, said these ships carried over 8,000 personnel, 30,000 tonnes of freight, over 300 vehicles, 18 Harrier aircraft and about 80 helicopters.

Quality of Civil Service recruits is 'falling off'

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

THE CIVIL SERVICE is losing ground to business and other concerns in the competition for young recruits with "originality" and "character" as well as academic success, says an official review published yesterday.

The review by Sir Alec Atkinson, a former permanent secretary of Health and Social Security, reports widespread impressions of a "falling off in quality" among candidates for the service's so-called fast stream offering early promotion to senior rank.

He told a Press conference in London that one of the beliefs detering applicants—that the higher civil service no longer enjoys the confidence of ministers—was "sometimes true, and sometimes untrue."

Swift countermeasures proposed by Sir Alec include improved links with polytechnics and universities, especially those outside Oxford, Cambridge and London, to demonstrate that the service's work is not "rigid, hierachical and dull."

Present selection processes should be broadly continued but accelerated so that the posts are offered in line with private-sector jobs, around Easter.

The selectors should include people from business, and all should be told that candidates of "forceful and thrusting personality" are to be welcomed, if they seem amenable to team work. The normal maximum age for fast-stream entry to the home civil service should be raised from 28 to 31 or 32 in accordance with the Diplomatic Service and Tax Inspectorate.

Sir Alec is anxious not only about external candidates, but also about applicants for fast-stream posts who are already employed by the service in less esteemed positions.

Few internal candidates come forward even though they are more successful on the whole than external applicants at passing the selection procedures. "The failure to indentify and develop more good candidates within the service is the greatest weakness of the present arrangements."

The various departments of state should be urged to improve their arrangements for spotting and putting forward promising employees.

The review says that of 44 fast-stream posts open last year, only 24 were filled. None of the people appointed was assessed as first class, two were considered second class and the other 22 were placed in the third and lowest acceptable grade. Another five rejected offers of appointment, mostly to pursue other opportunities.

Three of the jobs went to internal candidates. Of the rest, it is believed that three were from Cambridge University, three from London, and almost all the others from Oxford.

Only about a tenth of applicants have studied science and technology but, on average, they are as successful as their counterparts from arts and social studies.

Selection costs are high—roughly £11,000 for each appointment—but losses of young recruits are far lower than in industry, Sir Alec says. Moreover, since their average career earnings would represent a capital value of about £430,000, higher selection costs are better than engaging more Juds who are at present a rare phenomenon.

"Questions of security clearance," he adds, "are not within the responsibility of the Civil Service Commission, and have not been considered in this review."

Relationship with state industries criticised

BY GARETH GRIFFITHS

THE parliamentary watchdog on public expenditure has severely criticised the relationship between nationalised industries and their sponsoring government departments in the operation of external finance limits and corporate plans.

In a report to the House of Commons public accounts committee, the Comptroller and Auditor General said there were substantial deficiencies in the information provided by nationalised industries.

The report examined three relationships: the Department of Industry and British Telecom, Transport and the British Railways Board, and Energy and the National Coal Board.

It found that the departments' monitoring arrangements have not been fully developed, although they were reasonably effective.

Lloyd's syndicate owed £18m

BY JOHN MOORE, CITY CORRESPONDENT

A LLOYD'S insurance syndicate, once headed by Mr Ian Posgate, the former star underwriter of Alexander Howden Group, is owed about £18m in reinsurance claims.

More than 1,000 members of Lloyd's who form the syndicate have been told by new management looking after their affairs that "the security of some reinsurers is questionable and it may not be possible to retrieve all that is due to the syndicate."

The surprise news has been communicated to the 1,500 or so wealthy individuals, who pledge their fortunes to allow the Lloyd's market to function, by Alexander Syndicate Management, the group which looks after their affairs.

Alexander Syndicate Management forms part of Alexander & Alexander Services, the U.S. insurance broking giant which took over Alexander Howden last year. Alexander Syndicate Management looks after the Howden Lloyd's syndicates which were once run by Mr Ian Posgate.

Mr Posgate was dismissed by Howden's American owners when it was alleged that he and four other former Howden directors had misappropriated funds of $55m from Howden insurance companies and Lloyd's insurance syndicates managed by the group.

Underwriting members have now been told that "it has become apparent that some £27m of outstanding reinsurance recoveries relating to the 1980 underwriting account, and previous years, and to the 1981 and 1982 accounts have not been collected."

Reinsurance protects syndicates against overseas losses, but so far substantial amounts are owed by the reinsurers to the syndicates.

"The security of some reinsurers is questionable and it may not be possible to retrieve all sums due to the syndicate," Alexander Syndicate Management said. "To date a total of £9.1m has been collected but it will be a long time before we can be certain what the final recoveries may be."

In other areas the syndicate has been more fortunate in making recoveries. It has recovered £2.3m from another reinsurance scheme, in which insurance syndicates under the management of Posgate & Denby, Mr Posgate's own agency company, participated.

Guinness Mahon to start Saudi joint bank venture

BY DAVID DODWELL

GUINNESS MAHON, the merchant banking subsidiary of Guinness Peat, has reached agreement to set up a joint venture merchant banking operation in Saudi Arabia.

The agreement, with a company run by Sheikh Abbas Ghazawi in Jeddah, is Guinness Mahon's second overseas joint venture announced in less than a month. It makes a third tier of the company's merchant banking operations.

Sheikh Abbas Ghazzawi is a Saudi deputy foreign minister. Through his company, Guinness Mahon will provide financial consultancy services throughout Saudi Arabia. The new company, whose name is yet to be decided, is expected to open early in July. Two Guinness Mahon staff will lead operations.

Three weeks ago Guinness Mahon opened the People's Merchant Bank in Sri Lanka, a joint venture with the state-owned People's Bank. It will provide project, export and corporate finance, and manage local currency share issues and syndicated loans.

Mr Richard Fenhalls, deputy chairman and chief executive of Guinness Mahon, said that 19 projects in Sri Lanka have been outlined since the bank was launched. Growing links between Sri Lanka and the Gulf made the opening of a Saudi operation a priority for Guinness Mahon.

Funding for this expansion has come in part from a £20m rights issue mounted by parent Guinness Peat early in March. Guinness Mahon has been allotted £4m of the funds raised.

Car component makers discuss co-operation

By Kenneth Gooding, Motor Industry Correspondent

TALKS are going on between Britain's two independent manufacturers of vehicle heaters about possible co-operation, which might result in further rationalisation of Britain's motor components sector.

The companies are Smiths Industries Vehicle Heaters, which is based in Whitney, Oxfordshire, and employs about 400, and Delanair, the Hanson Trust subsidiary operating from Ammanford in South West Wales, where about 450 are employed.

The discussions mark another stage in Smiths Industries' attempts to rationalise its lossmaking motor components operations.

The vehicle heater devision was specifically excluded from the recently announced major deal which involves Lucas and Smiths pooling some of their resources in Automotive electronics.

The discussions between Delanair, which Hanson acquired when it took over Lindustries, and Smiths Heater are taking place against the background of severely reduced car production in the UK and the trend of vehicle groups to manufacture more of their own heating and ventilation systems.

Ford, for example, is making much more of its own requirements.

Death threats over relatives' Falklands visit

By Jimmy Burns in Buenos Aires

THE CONTROVERSY over the planned visit to the Falkland Islands by relatives of the Argentine war dead yesterday became the focus of the latest campaign of intimidation against British citizens in Argentina.

Mr Andrew Thompson, the Buenos Aires correspondent of the Times (London) last night lodged a formal protest with the Argentine Foreign Ministry after receiving a telephoned death threat from a man claiming to belong to the right-wing terrorist organisation "Triple A."

The caller warned Mr Thompson that he was on a list of 100 members of the British community, including a British diplomat in Buenos Aires, who would be killed within 24 hours next month if the relatives were "attacked" by British military forces after setting sail for the islands on April 30.

The threat, made in a formal communique, did not specify whether the term "attacked" meant the use of physical force or simply obstruction by the British authorities.

Mr Thompson, who has been a specialist writer on Latin American affairs for several years, said that he had decided to publicise the threat because he had reason to believe that it was genuine.

The "Triple A" was at its most active in the period immediately before and after the 1976 military coup when paramilitary groups co-operated with the Argentine army in the repression of political opponents. Its threats were often made in a similar wording to that received by Mr Thompson yesterday.

Sr Osvaldo Destefanis, the Argentine organiser of the planned trip to the islands, said last week that he had rejected two of the key conditions being demanded by the British Government in the tense talks going on through the International Committee of the Red Cross.

Sr Destefanis has chartered an 8,000-tonne vessel from ELMA, the state-owned cargo line which is controlled by the Argentine Navy. He also intends to include journalists on the trip. British officials, who suspect that Sr Destefanis has the backing of sectors of the armed forces, have stipulated that the relatives should travel on a non-Argentine boat and not be accompanied by journalists.

Britain's nuclear reactor industry looks for new sense of direction

By David Fishlock, Science Editor

BRITAIN'S nuclear reactor design and construction industry, cast in its present mould 10 years ago, is being recast to fit a different, diminished role for the next decade. Prime movers in this difficult task are the chairman of the National Nuclear Corporation (NNC), Mr Frank Gibb, who ironically is also the spokesman for Britain's most ambitious alternative scheme to nuclear energy: and Sir Walter Marshall, customer for most of the new nuclear stations the nation is likely to order.

The appointment of Mr John Collier from the UK Atomic Energy Authority as the new director-general of Barnwood, near Gloucester, the Central Electricity Generating Board's 1,700-strong engineering development and design team for power stations, heralds major changes to come. Mr Collier is the personal choice of Sir Walter, the CEGB chairman, brought in from tha research side of the industry, over the heads of senior electricity industry engineers.

Collier's job is to give Barnwood—"a national centre of engineering excellence," as Sir Walter sees it, but leaderless for the past couple of months—a new sense of direction.

He steps right into two work-sharing disputes. One concerns the contract strategy, published last week, for Barnwood's principal future project, the Sizewell B pressurised water reactor. Barnwood's stated intention of placing overseas the £100m contract for the primary circuit of Sizewell B, the beart of the nuclear plant, probably with Westinghouse Electric, has been badly received by British suppliers.

The second, related, dispute is about the future of Barnwood itself. At its root lies a long history of acrimonious relations between the CEGB and the Whetstone division of the NNC, near Leicester, where work on Sizewell B is centred. Whetstone is stamped with having produced the disastrous Mark I design of "British PWR" two years ago.

Compared with Barnwood, its customer, Whetstone is a weak engineering team. Mr Denis Rooney, a former NNC chairman, came to grief when he tried to force a shotgun marriage of Whetstone and Risley, the stronger half of the NNC. Sir Walter, appointed CEGB chairman by the Government last summer with a specific brief to make the PWR project a success, believes firmly that an under-nourisbed Whetstone team must be strengthened by transferring Barnwood PWR experts to Whetstone. "I have a very high regard for Barnwood's expertise."

Bnt Whetstone's reputation for project management is held in low regard by Barnwood eogineers, who have fought hard against the transfer. As they sec it, senior staff could be risking their professional reputations and even their jobs by "going out in the cold." They bave argued that while Whetstone must do the bulk of the design of the "nuclear island" for Sizewell B — tbat is the Government's clearly stated wishes — it should do this under tight supervision from Barnwood, wbicb thus must retain its best PWR staff. In this view they have had the wholebearted support of Mr Denis Lomer, board member responsible for the construction programme.

At chairmen level, relations between the CEGB and the NNC are excellent, both parties say reassuringly. Mr Frank Gibb, a director of Taylor Woodrow, and part-time chairman of NNC, is a close personal friend of Sir Walter. They have instituted a monthly progress meeting between themselves for the Sizewell B project — most unusual at this level between customer and contractor. Mr Gibb has lately also caught the ear of his customer—and of the Government—with an ambitious proposal that a Severn Barrage to harness the tides for electricity production could be built as a private venture.

Mr Gibb sees the NNC—of which Taylor Woodrow is a shareholder — as "good engineers tackling a very complex and unusual job." They have suffered from the lack of nuclear orders in the 1970s and this is reflected in their age pattern, be says. His task is to create a nuclear engineering team for the 1990s.

The CEGB and the NNC have agreed to abandon the Government's original idea, as stated late in 1979, that NNC should have "total project management" for Sizewell B. Instead they have agreed that NNC shall manage the nuclear side of the project on an agency basis, while Barnwood manages the non-nuclear side. "This is a perfectly proper and tenable way of going ahead," Mr Gibb says. It will be backed by an incentive scheme, with bonuses for NNC if it performs to the agreed schedules.

Both Sir Walter and Mr Gibb are keen to recapture the spirit of the joint project team, which was set up by Marshall's task force in 1981 to salvage the Sizewell B project from the Mark One design fiasco. "People really came together and worked like hell from both sides," Mr Gibb says. "We're trying to combat a history of conflict and bad personal relations and build up on the good spirit created by the task force," Sir Walter says.

Is it realistic to think that when one party apparently holds the other in such low regard, the two will ever forge an efficient team for a major and novel project? "If people despise you, the only way you can deal with it is to perform."

Certainly the Whetstone team has not performed well over the long-delayed Hartlepool and Heysham AGR stations, just being commissioned—a total of 15 years late between them. Bnt Dr Ned Franklin, NNC's chief executive, points out that Whetstone can hardly be held entirely to blame for the first Sizewell B design fiasco—since the CEGB, as customer, was, in fact, party to the design throughout. As he sees it, Whetstone took the blame for a combined nuclear industry failure.

Under Mr Ted Pugh, a former senior CEGB project director who joined the NNC board in 1981, to manage the reborn Sizewell B project (see chart), Whetstone is being given a facelift, with new management and new information systems to support the project.

However, both Mr Gibb and Sir Walter Marshall believe that the dominant factor must be the new director-general at Barnwood. Mr Collier, aged 48, began his career as a Harwell apprentice and rose through the ranks to become director of the UK AEA's safety and reliability directorate. In this role he was responsible for the safety of all the authority's nuclear reactors and for the safety of 20 PWRs operating or being built for the Navy.

Mr Collier, a close aide of Sir Walter at Harwell, is qualified as a chemical as well as a mechanical engineer. He is also an international authority on two-phase boiling, a technology basic to the operation of PWRs. His entire career has been spent in the nnclear industry, mostly at Harwell, but also in Canada working on the Candu reactor.

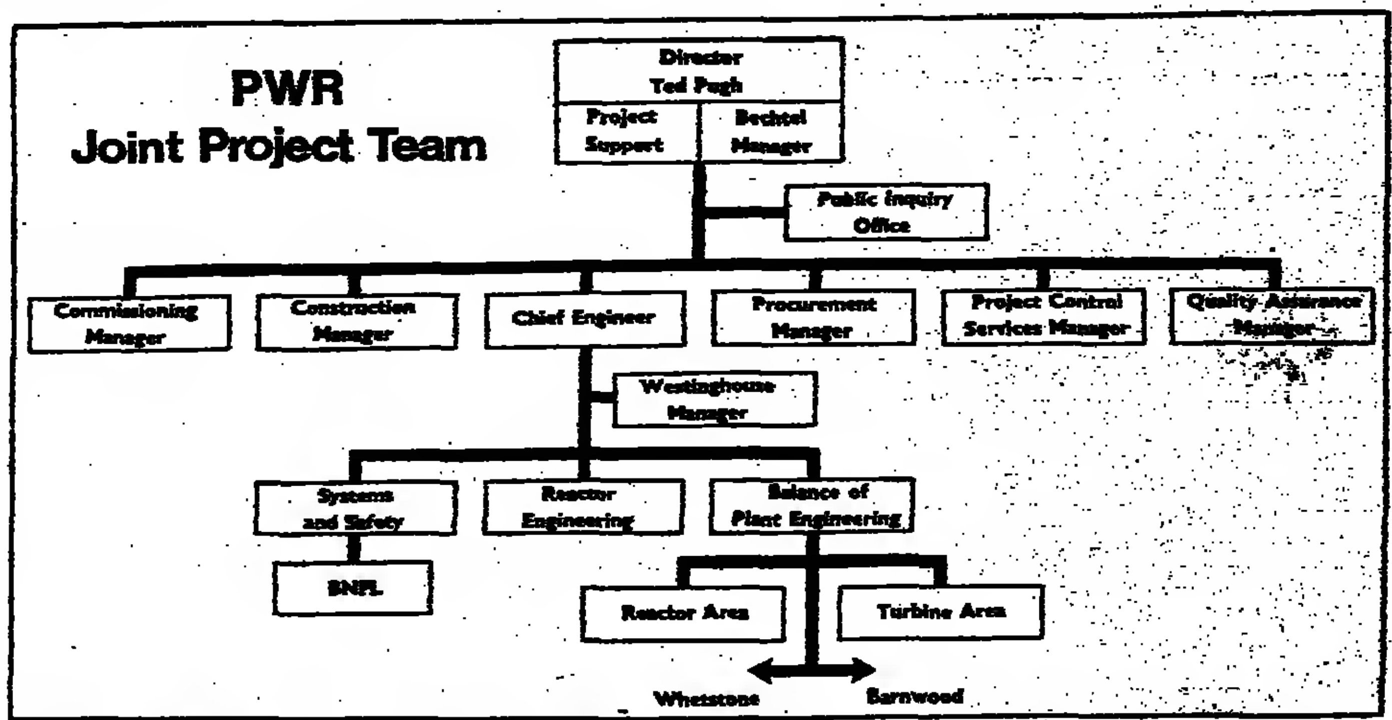
The biggest challenge for Mr Collier is to convince some powerful baronies at Barnwood that they must follow him as their new leader. Mr Gibb, accustomed at Taylor Woodrow to "growing our team," finds it sad that the CEGB itself has been unable to produce a new leader. But the CEGB chairman is convinced that Barnwood will adapt to its new role—one which will have far more to do with prolonging the life of existing stations and less with building now ones—only under new management.

But Mr Collier also walks into a major problem of external relations between Barnwood and every individual NNC company, over Barnwood's decision to place a £100m contract for the primary circuit of Sizewell B with Westinghouse. He will be party to a series of very sensitive discussions over the next few weeks about whether and bow this contract might be shared with NNC shareholders.

The main UK nuclear contractors are sorely aggrieved. Mr Tom Carlile, managing director of Babcock International, says his company is very worried that if the primary circuit for the first British civil PWR is not placed with British industry, subsequent orders will also go overseas. "If they follow that policy it will be very disappointing," Mr Carlile says. He believes Babcock could manufacture "with our existing facilities, equipment and knowhow all the components except the pressure vessel." Babcock has just shipped the pressure vessel to Barrow for the Navy's PWR2 project, also destined for the big Trident submarines. But it would need bigger furnaces to bandle the civil PWR vessels.

Dr Duncan McDonald, chairman of NEI, says his company "has the competence to handle all the high-tech aspects of the Sizewell B reactor. And we are prepared to invest in the additional resources where needed." Dr McDonald believes there is time in the case of Sizewell B for the transfer of technology to Britain. Both Dr McDonald and Sir John King, Babcock's chairman, are board members of NNC.

Barnwood, however, is firmly of the opinion that the crucial primary circuit contract—one of 70-odd "major contract packages" carved out of the project in its contract strategy—should go offshore, in the best interests of keeping the project on schedule and to cost. Mr Frank Lewis, commercial director at Barnwood, says bluntly that the series of meetings with Westinghouse is designed to maximise the opportunities for British industry to participate in the erection of the primary circuit "consistent with not taking undue risks."



SCOTTISH FINANCIAL SERVICES SURVEY

The Financial Times wishes to apologise to its readers, the Retail Trade and the advertisers within the Scottish Financial Services survey for moving the survey from today's issue to tomorrow's issue — Friday 22nd April.

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1983

The Queen's Awards
FOR EXPORTS AND TECHNOLOGY

Export success ranging from high technology to throat lozenges

BY JAMES McDONALD

EVERY YEAR the Queen's Awards for Export Achievement uncover the successes of small- and medium-sized companies in selling British goods and knowledge abroad.

There are always some oddities among the awards: exports of canned raspberries to West Germany and the amazing popularity abroad of a medicated lozenge, the Fisherman's Friend, figure in this year's list.

And despite Government warnings on every cigarette package, about the danger of smoking, Carreras Rothmans has won a second award for exports. With 7,000 to 8,000 employees in Britain and with only a slight cutback in employment during the depression, it is the UK's biggest exporter of cigarettes, accounting for more than half the £360m of UK exports last year.

There are 90 awards for export achievement this year, one less than in 1982, and once again about half of the awards go to small companies, or units of large organisations, employing fewer than 200 people.

There is always a hard core, however, of medium and large companies who appear in the awards drawn from the engineering, construction, electrical and high technology industries. The names of the winners may differ each year, but the mainstream of British industry exports is always highlighted by familiar industrial names.

General Electric Company subsidiaries are again prominent in the list with three awards: two to **Marconi Avionics** (one for exports and one for technological achievement); and an export award to **GEC Electrical Projects.** This brings to 65 the number of awards won by GEC since the scheme started in 1966.

Davy McKee (Sheffield) has won its second award. It designs, manufactures and installs all types of rolling mills and other metalworks plant and is a lead company in consortium bids for turnkey projects. Its direct exports of UK goods have risen from £35.4m in 1980 to £67.7m last year. The company has exported a major part of £75m turnkey steel rod and bar mill complex in Morocco. This brings to 18 the Davy Corporation awards.

Balfour Beatty—part of the BICC group—receives *its third* export award. A civil, electrical and mechanical engineering and contracting group, it has been a significant earner of foreign currency for many years. In addition to its own services, the group acts as main contractor for major turnkey projects. It operates in 50 countries in the Middle East, Africa, Asia, Australasia and the Americas. Export earnings have risen from £47.4m in 1979 to £87.6m last year.

The Costain civil engineering, building and construction group has notched up its fourth export award, this time to **Costain International**, its overseas construction company. The company traditionally has operated mainly in the Middle East but, because of recession *in this area*, it has *opened* up new markets in Sri Lanka, Hong Kong and Nigeria.

British Airways gets an award for its sales overseas of *high technology* computer software and telecommunications systems and services. The airline's sales in this area, totalling over £24m in the last five years, make it one of the most successful computer consultants in the UK, according to BA.

The **British Aerospace Aircraft Group** also has won, for the second year running, an award for increasing its exports to a record 68 per cent of total sales. Export sales have risen from £379m in 1980 to £863m last year.

Two Racal Electronics group companies have gained awards—**Racal-Tacticom** and **Racal Defence Electronics (Radar)**—by trebling exports of sophisticated electronic equipment between 1979 and 1982, the qualifying period for the awards.

Outside the mainstream of regular export award winners there is, for example, **Hosking Equipment**, a Norfolk company with only six employees. It specialises in the design and supply of agricultural implements for dry-land farming and has sold more than £1.6m of this equipment over the past two year, mainly to the Middle East.

Slightly bigger in employment terms is **Lofthouse of Fleetwood**, Lancashire, a family concern with 84 employees and only one product—the Fisherman's Friend, a breathtaking medicated lozenge. According to Mrs D. W. Lofthouse, the lozenge was first produced by the family pharmacy in 1865. About 1bn are produced annually, with half of the output going abroad.

The export division of Anglia **Canners** — with Associated British Foods as its parent company—wins an award for exporting canned fruit and vegetables and frozen raspberries. *It has had particular* success in exporting raspberries to West Germany.

The Isle of Skye would seem to be an odd place to mount a highly technical operation but Gaeltec, based on the island, has won an award for its export of miniature pressure transducers with applications in the physiological field, chiefly in neurosurgery, urology and cardiology.

Exports of medical equipment and of teaching equipment are included in the awards. **TecQuipment of Nottingham**—a high technology group—has won its second export award for its exports of educational equipment. Although the contract did not come into the evaluation of the award, the group last December won its biggest *export order, worth £3.1m, to supply* educational establishments in Mexico.

United Medical Enterprises, part of the British Technology Group, has *obtained* an award for its success in managing and equipping hospitals overseas. It exports regularly to the Middle East, Nigeria and Botswana and is now marketing its expertise in the Far East and South America.

Oxford Medical Systems, a member of the Oxford Instruments group, *is* also an award winner for its growth in exports of medical electronic products over the past three years. Last year export sales accounted for 78 per cent *of total sales and* there has been a 160 per cent growth in sales over the past three years.

Amersham International has won an award with more than 80 per cent of its group turnover of £63m in the year to March, 1982, representing sales *to customers* abroad.

Euromoney Publications — part of **Associated Newspapers** group which publishes the monthly magazine Euromoney —also got an award. The company's turnover last year was £5.5m, of which £3.7m came from exports in the form of advertising, subscriptions and associated information *services*.

In the awards for exports of British "know how" there must be considerable interest in the award to **A and P Appledore** *International of* Newcastle upon Tyne, which provides management of major shipyards. While UK shipyards complain about losses of work to overseas *yards*, Appledore has been successful in exporting British shipbuilding expertise; it has provided total "start-up" services to two shipyards in South Korea and the long-term management of major shipyards in Greece and Dubai.

Again in the information, financial and services sector of British exports, **Donner Underwriting Agencies** has won an award—the first members' agency at Lloyd's to do so. It has 12 employees, managing 278 members, and has placed at Lloyd's about £70m capacity for the 1983 account.

Another award winner, **Investment Insurance International (Managers)** claims to be the only specialist company in the world involved only in *political risk insurance broking*. It arranges insurance against foreign government confiscation of assets, government interference in contracts, and the *imposition of trade embargoes*. Last year the company, part of the Hogg Robinson group, placed £300m of liability insurance contracts in Lloyd's and other British insurance centres. About 75 per cent of the company's clients are companies outside the UK.

AWARDS FOR EXPORT ACHIEVEMENTS

Acrow	Materials, handling, construction equipment
R. P. Adam	Industrial, hygiene chemicals
Airwork	Aircraft, vehicle, communications *maintenance*
Water Specialities and Services Business of Albright and Wilson	Water treatment, desalination chemicals
Allied Colloids	Speciality chemicals
Amersham International	Radioactive materials
Export Division of Anglia Canners	Canned fruit, vegetables
A and P Appledore International	Shipyard management, consultancy
Architects Co-Partnership Incorporated	Engineering consultancy
Atlas Converting Equipment	Slitting, rewinding, cutting machines
Audio Kinetics (UK)	*Micro-processor-based* machine *control* equipment
B K S Surveys	Aerial photography, surveying, map making
Badalex	Electric lamp assembly machinery
Balfour Beatty	Engineering contractors
Arthur Bell and Sons	Scotch whisky
Biwater Treatment	Water treatment, purification plant
Aircraft Group of British Aerospace	Civil, military aircraft
Computer and Telecommunications Department of British Airways	*Computer consultancy, services*
Carbolite Furnaces	Electrical resistance-heated furnaces
Carreras Rothmans	Cigarettes, tobacco
Chubb Fire Vehicles, a Division of Chubb Fire Security	Firefighting vehicles
Coin controls	Coin handling components
Compton Webb Group Marketing	Uniform clothing
Costain International	Civil engineering, construction
Automotive Products Division of the Fabrics Product Group of Courtaulds	Automotive interior trim fabrics
Crisp Malting	Malt
Cummins Engine	Diesel engines, components
Curtis (Wool) Holdings	Processed wools
Dale Electric of Great Britain	Turbine generating sets
Darlington and Simpson Rolling Mills	Hot rolled special steel
Databit	Telecommunications components
Davy McKee (Sheffield)	Rolling mills plant
Dawson International	Semi-processed textiles
Thomas De La Rue	Bank note, cheque, passport printing
Derwent Publications	Scientific information publishing
Donner Underwriting Agencies	Underwriting
Eilers and Wheeler (UK)	Dairy products
Elco Power Plant	Industrial generating sets
Euromoney Publications	Euromoney magazine
Exploration Consultants	Petroleum consultancy
Express Dairy UK	Dairy
Fabrikat Industries	Electrical power distribution equipment
Re-inforcements/CemFIL Division of Fibreglass	Cement reinforcing glass fibre
Foster Wheeler World Services	Construction contracting
GEC Electrical Projects	Electrical control systems
Gaeltec	Miniature pressure transducers
Michael Gerson	Household, personal removals
Giantre Engineering	Electrical, mechanical systems
Griffin-Woodhouse	Marine chain equipment
Guinness Overseas	Beer
Harrison Bros (Sanitary Engineers)	Steel flushing cisterns
Hosking Equipment	Agricultural equipment
Hughes Tool Division of Hughes Tool	Rock drilling bits
Insight International Tours	Tours
Intergen Beauty Products	Soaps, toiletries
Investment Insurance International (Managers)	Insurance brokerage
T. W. Kempton	Knitted wear
Kurvers International Supply Services	Pipeline systems
Land and Marine Engineering (Overseas)	Submarine pipelines
Lasgo Exports	Musical recordings
Scammell Motors Plant of Leyland Vehicles	Special purpose, military vehicles
Liquid Gas Equipment	Liquid gas plant
Lofthouse of Fleetwood	Lozenges
Lovaux	Aircraft components, spares
McCorquodale Machine Systems	Automated cheque printers
Marconi Avionics	Avionic systems
Robert Matthew, Johnson-Marshall and Partners	Engineering consultancy
May and Baker	Agricultural chemicals
Metier Management Systems	Midi-computers
Multispec	Analytical instruments
Horseley Bridge Unit of NEI Thompson	Pressed steel sectional towers
Ocean Inchcape	Offshore consultancy
Oxford Medical Systems	Electronic medical equipment
Pauls and Sanders	Malt
Petbow	*Generating sets*
Presspart Manufacturing	Aluminium pressings
Racal Defence Electronics (Radar)	Warfare equipment
Racal-Tacticom	Radio equipment
Rimark Soft Drinks	Fruit squashes, cordials
Buckeye Company Division of South Western Chicks (Warren)	Poultry incubation equipment
Submarine Systems Division of STC Communications	Telecommunications
Hugh Steeper (Roehampton)	Medical aids
Technicare International	Equipment operating, maintenance
Technitube Pipe and Steel (UK)	Pipeline equipment
Tecquipment	Engineering teaching equipment
Transunits	Mobile generating sets
United Medical Enterprises	Hospital consultancy
Wellman Furnaces	Furnaces and ovens
Woods of Windsor	Perfumes
YRM Partnership	Design, consultancy

Her Majesty the Queen has made 90 awards to British companies for export achievement this year and 20 for technological achievement.

1983

Biotechnology and micro-electronic inventions beat the world

BY DAVID FISHLOCK, SCIENCE EDITOR

WORLD-BEATING British inventions in biotechnology and microminiature electronics feature among the 20 awards for technological innovation this year. In three cases awards for the same innovation have gone both to the research group and to the industrial team that developed the discovery. One laboratory wins two awards.

The most spectacular piece of technology to receive the accolade is the world's biggest bio-reactor, designed by ICI's agricultural division. In this 600-tonne continuous fermenter at Billingham, Cleveland, ICI is making annually 45,000 tonnes of Pruteen, a rich blend of proteins used to rear young pigs, calves and fish. It has absorbed one of the biggest investments of intellectual resources the company has ever made.

ICI receives the award for the way it takes two of the most abundant substances on earth, carbon (from North Sea gas) and nitrogen (from the air) and marries them by means of a microbe to make a food. This is "factory-farming" of microbes, secure from the changing seasons and the vagaries of weather.

Pruteen is sole survivor of several major financial investments by petrochemical companies in single-cell protein, the harvesting of live micro-organisms. Its rivals were all beaten by rising hydrocarbon prices and falling costs of soya.

ICI persevered and has refined Pruteen-making to a stage where its bio-reactor operates "just like a chemical plant," says Mr Rob Margetts, research director of the agricultural division.

ICI scientists are developing refinements of Pruteen which could, for example, yield a still richer blend of the most highly prized amino acids, through "genetic engineering" of the microbe they breed.

In contrast, Sprite is the smallest invention to receive the award this year. It is a sensor for infra-red radiation, "heat rays," being built into Britain's latest infra-red night-sights for navigation and fire-control for all three armed services.

Sprite is an acronym for Signal Processing Right In The Element. In other words, the sensor, or infra-red eye, both detects and processes the invisible rays in a single chip of semi-conductor.

It was invented by the Royal Signals and Radar Establishment, Malvern, a Defence Ministry research centre, where the novel semiconductors cadmium mercury telluride (CMT), now used world-wide for infra-red sensors, was discovered in the late-1950s.

Mullard's electro-optics division, Southampton, has won the award with Malvern for the effort it made to develop manufacturing technology for a very tricky material. The company has shown how hundreds can be assembled into a single array. The result is a sensor that needs much simpler and cheaper electronics and signal-processing to see in the dark.

Malvern wins another award for a different sensor, the eye that "sees" X-rays in brain- and body-scanners. Its electronic materials division grew a novel crystal of zinc tungstate, subsequently developed into sensors "of greatly improved resolution" for scanners by Hilger Analytical of Margate, which shares this award.

Marconi Avionics, a GEC company, earns the accolade for a complete electronics package at which man and machine work in harmony to listen for enemy submarines from the air. Starting with a new defence requirement in 1971 the company's researchers at Rochester have developed a family of airborne acoustic-processing equipment which detects, locates, classifies and tracks enemy submarines by sounds they emit.

Universities all too rarely feature in the Queen's awards. An association between Rentokil and Liverpool University, however, cut the cost of the company's planned new-manufacturing investment by more than half.

As a result, an award goes jointly to Liverpool's department of organic chemistry and to Rentokil's timber-preserving division. A process based on the proposals of Dr Robert Johnstone, who specialises in catalyst research, has led to new production plants at Kirby, Merseyside, and in Malaysia.

Dr Johnstone, a consultant to Rentokil, was asked for advice on company plans to make arsenic acid, a key component of the preservative formula used generally for pit-props, sleepers, wooden piers, etc. The company was ready to invest £1m to make the acid by a traditional process.

Dr Johnstone proposed a new catalytic route that gives "a much cleaner, smoother reaction," he says. Between them they tested it in a pilot plant. Then the company took what he considers a "very brave decision" to scale up to 3,000 tonnes a year. The computerised plant cost £400,000 only against the £1m initially allocated. "They really moved very fast," he says.

Different aspects of broadcasting technology secured three of this year's awards. One each goes to the premier broadcast authorities, specifically to the engineering division of the IBA, and to the engineering directorate of the BBC, for their respective teletext services Oracle and Ceefax.

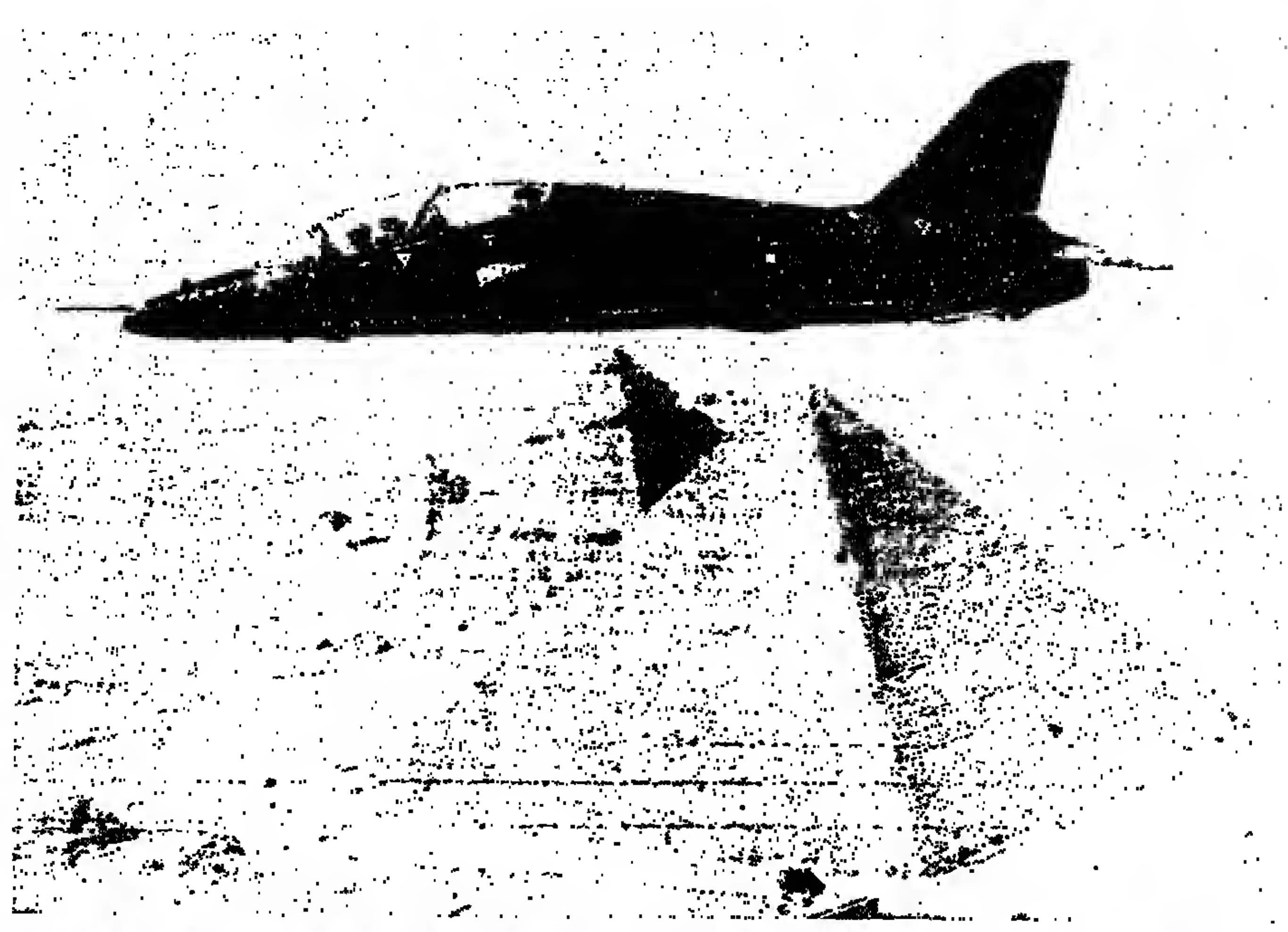
Teletext is a system for transmitting information by word or picture which can be received on suitably adapted domestic television sets.

Quantel of Kenley, Surrey, secured another for equipment developed by its research and development department for live manipulation of television pictures.

Another small company, Polytechnic Marine, is successfully competing with much bigger U.S. and Japanese companies for the burgeoning market in satellite receivers for navigation and positioning. Its research at Daventry, Northants, has produced a small receiver costing only a fifth of earlier models, competitive enough to sell to owners of fishing-boats, yachts, etc.

Sterling Metals, at Nuneaton, Warwicks, part of the Birmid Qualcast group, earns its award for skills in the foundry, specifically for innovation in making the complex casting known as the compressor wheel, a key component of engine turbo chargers.

Another award for manufacturing innovation goes to Flymo, an Electrolux subsidiary, for a robot system used to assemble one of its flying lawnmowers at its factory at Darlington, Durham. The £2m investment, committed in 1981, assembles, tests and packs the E Minimo electric Flymo.



A British Aerospace Hawk makes a demonstration flight over the pyramids. Currently in service with five overseas air forces, the Hawk will soon start volume production for the U.S. Navy. The Aircraft Group of British Airways has won an export award

AWARDS FOR TECHNOLOGICAL ACHIEVEMENTS

Phosphates Division of Albright and Wilson	Flame-resistant textiles
Engineering Directorate of the British Broadcasting Corporation	Teletext development
03 Division, Detector Research, Royal Signals and Radar Establishment, Ministry of Defence	SPRITE infra-red detector
P4 Division, Electronic Materials, Royal Signals and Radar Establishment, Ministry of Defence	X-ray detector crystals
Flymo	Robot-assembled lawnmowers
FormFlo	Cold metal-rolled bearings
Hilger Analytical	X-ray detector crystals
Agricultural Division of Imperial Chemical Industries	Protein animal feed
Engineering Division of the Independent Broadcasting Authority	Teletext development
Department of Organic Chemistry, University of Liverpool	Timber preservation
Logica VTS	Latin languages/word-processing
Maritime Aircraft Systems Division of Marconi Avionics	Submarine-tracking by aircraft
Metal Castings (Worcester)	Robotised diecastings
Electro-Optics Division of Mullard	SPRITE infra-red detector
Perchem	Oil-drilling aids
Polytechnic Marine	Satellite receiver for trawlers and yachts
Research and Development Unit of Quantel	Live TV picture manipulation
Redifusion Simulation	Flight Simulator screen display
Timber Preserving Division of Rentokil Group	Timber preservation
Sterling Metals	Turbocharger compressor wheels

JOBS COLUMN

Professorial vision of work in the future

BY MICHAEL DIXON

"DOING the Lambeth Walk" was all the rage throughout the non-Nazi western world in the dark days of the late 1930s.

People flocked to dances to strut about laughing to the tune sung by Lupino Lane in the musical comedy Me and My Girl. It was about a little bloke from London SE1 who got made an earl but refused to become stiff-shirted and so converted the entire British aristocracy to the warm, easy-going behaviour ascribed to if not always exhibited by your actual Londoner.

When not shaking dance halls with shouts of "Oi!" in emulation of Mr Lane, people tended to bask in other romances by such as Ivor Novello. Typically the plot centred on a king perpetually clad in dashing uniforms and in love not only with a gipsy—who was sometimes an opera singer to boot—but also with his happy subjects, whom he heroically saved from puritanical revolutioo by cheerless, drably-dressed republicans.

Unlike the general populace, most citizens in positions of leadership did not escape into *wish-fulfilling fantasy*. While they might flicker a smile at the Press before eotering their particular corridor of power, once inside they tried to find currently practicable ways round real problems such as that "a bomber will always get through."

At least two things seem to be different today.

One is that the escapist route has changed from plutocratic to technological romanciog. The other is that some people io pretty influential positions have evidently got caught up in it as well.

While far-seeing optimism about the heneficent advance of technology may not-yet have riseo as high up the hierarchy in Britain as it has in the U.S., it has already seeped into the academic level. Take, for instance, the new book by Tom Stonier, Professor of Science and Society at Bradford University, which is called The Wealth of Information.*

Managers worried about cash-flow, parents anxious for their children's future and admirals, generals and air marshals, too, the book suggests, will all ahare the same niche in the society of 50 years hence. They will appear beside the dodo in the extinct-species exhibits of museums.

"Sometime in the first quarter of the next century technological progress will bave been enough to make worries about money less and less relevant," we're told, ..."we will learn to live off the backs of the robots as the ancient rulers lived off the backs of their slaves." *Moreover our children* will live in a world of peace "unprecedented in recorded human history."

Had President Reagan read the book, he perhaps would not want to spend a lot of money on bis space-soaring ray guns. For he would have learned that peace is inevitable anyway.

"The primary social need for war, the need to expand resources to match growiog *populations, is being met more* effectively through technological ingenuity and relative population atability."

The greater resources will he achieved simply by creating them out of what are now "non-resources." Hunger will be rendered unnecessary by using solar cells and advanced agriculture to make deserts bloom, and by fish-farming and so on.

Energy will be provided by wave-power. Abundance of other raw materials will be produced, *for example, by mining* valuable minerals such as manganese nodules from the ocean bed.

The reason why these blessings will be delayed until future geoerations is also simple. What will "make it all happen" is information, and we haven't got enough of it yet. The "post-industrial economy" will aoon be repairing the deficiency.

Here I must admit that the professor leaves me somewhat behind. He makes clear that be sees information as the key to everything, rather as the alchemists saw the vital elixir they never quite managed to distil (the closest they got was *brandy, perhaps because they* didn't have computers then).

But be neglects to state precisely what he means by "information." Nor does he waste words on pedantic distinctions between information which is right and information which is wrong.

Knowledge, however, is given a tighter definition. It is "organised information." That is shorter than the more orthodox "*justified true belief*," still considered unsatisfactorily loose by some philosophers. It is a pity that "organised information" should seem to fit theories such as Ptolemaic earth-ceotred astronomy just as well as, if not better than, Professor Stonier's own.

Nevertheless it is by producing and trading in knowledge instead of primitive things like manufactures, that the British and other advanced peoples will secure their sumptuous living. We shall earn *our* keep as "information operatives," more or less organised.

Gunboats

It is important to understand that the knowledge required will not be merely technological and economic. Consider for instance the mining of manganese from ocean beds. When an official of a company attempting it was asked why progress was slow, he evidently said: "We develop the operation, then out of the blue there appears a Peruvian gunhoat to take over the whole thing . . ."

So we shall clearly also need the "organisational" knowledge to solve political and legal problems such as persuading Peruvians and others that their archaic notion of owning things has been post-industrially superseded.

"When all these are solved," we're told however, there will be more than enough of everything for everybody and some to spare.

The book seems confident that strong folk will not mar the balance by demanding much more than they need, so depriving the weaker. The basis for the confidence is evidently the idea that human social systems are derived from those of hominids like the greater apes.

"It is highly probable that in hominid societies the practice of food-sharing developed extensively. If this is true, then the human psyche would find it logical that a people should share what they have. . ."

Sceptics would not necessarily be justified in claiming that humans have never yet shown signs of learning to be as socially sensible as apes. Hasn't President Reagan already as good as said that once his ray guns are up there in working order, he'll think about passing the hlueprints over to the Soviets?

There is only one positive thing to be done to usher in swiftly the technological millennium. It is that politicians, including the British Government and opposition parties, should drop their present policies and start doing what Professor Stonier says instead.

The key is to spend much, much more taxpayers' money on educatioo, especially the university sort, and on research, especially the university sort, so as to produce both more "information operatives" and more information on which they can operate.

The education will need to be different from the kind mostly provided now because "not only managers, but many engineers, scientists and other technologists (the products of a narrow educatioo) have no feeling for what is happening outside their own specialty." No. "Higher education will be a mix of traditional university, coupled with electronic media, *based at home* or *in a similar* environment."

Here again I must admit a possible doubt. After all, the present Government and the University Grants Committee have been doing their best to push the balance of higher education slightly away from arts and social studies towards science and technology. But the only real result seems to be a further strengthening of conventional specialised studies at the expense, particularly, of newer institutions set up specifically to promote technological expertise including the professor's own University of Bradford.

Perhaps it is because the future model already exists there that he has not taken up space in the book to explain how, in view of the failure of the Government's best efforts, the change required is to be achieved.

But it is still sad that he did not do so, especially since he could have created the necessary space by omitting most of the *quotations from* Adam Smith with which he opens most of the chapters, thereafter sometimes pointing oot Smith's wisdom, sometimes his folly. It would surely have been more apt as well as economical just to start the whole treatise with one quotation from an earlier British thinker — Thomas Hobbes:

"For the errors of definitions multiply themselves according as the reckoning proceeds, and lead men into absurdities . . ."

* *Thomes Methuen. £8.95.*

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The position offers a competitive base salary and an annual performance bonus plus expatriate benefits including furnished accommodation and a car.

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Accountant
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A professionally qualified accountant is required by a leading British company for its office in Jeddah — Saudi Arabia.

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A 12-month single status contract is offered initially, with prospects of extension. Accommodation, *food and transportation will* be provided, together with a generous tax-free salary and an end-of-contract bonus. A period of home leave with air fares to the U.K. paid will be taken approximately every four months. Candidates who will be available to take up this appointment in the near future should send a full curriculum vitae to:

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Résumés, which will be acknowledged and forwarded to our client unless a covering letter gives contrary instructions, to Richard Henry, Executive Selection Division, Ref. H016.

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- ★ Should be prepared to travel extensively.

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- ★ supporting European country finance departments

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Applicants must be qualified Accountants with at least 3 years' post qualification experience gained in a multi-national commercial environment which has given them a strong grounding to take on the above responsibilities.

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Write for an application form or send brief CV to the address below, *quoting ref: AA51/8224/FT on both letter and envelope*, and advising us of any other applications you have made to PA Personnel Services within the last twelve months. No details are divulged to clients without prior permission. Initial interviews will be conducted by PA Consultants.

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- **— the capacity to work under sustained pressure and ability to motivate others accordingly**
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SCHLEGEL ENGINEERING
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Divisional Accountant

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Accountancy Appointments

ACCOUNTANCY APPOINTMENTS

ARE CONTINUED ON FOLLOWING PAGE

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On April 7, 1983, Bonds for the amount of UA 1,330,000 have been drawn for redemption in the presence of a Notary Public.
The Bonds will be reimbursed coupon No. 13 and following attached on and after June 11, 1983.
The drawn Bonds are those, NOT YET PREVIOUSLY REDEEMED, included in the range beginning at 7080 up to 10881 incl.
Amount outstanding: UA 4,040,000.
Outstanding drawn Bonds:

9054 to 9957 incl., 10281, 10337, 10409 and 10410, 10468 and 10469, 10477, 10900, 11051, 11086 and 11087, 11093 and 11094, 11357 and 11358, 12624 to 12638 incl., 14200, 15857 to 15859 incl., 15899 to 15902 incl., 15904, 10081 to 15988 incl., 16015, 16030 and 16031, 16041 to 16044 incl., 16066, 10135, 10175 and 10176, 16375, 16378, 16393, 16407, 10410, 16450, 16480 and 16481, 16594 to 10596 incl., 16618 to 16625 incl., 16634 to 16636 incl., 16646 to 16650 incl., 16810, 16839 and 16840, 16970 to 16973 incl., 17043, 17074, 17101, 17189 to 17198 incl., 17200 to 17202 incl., 17228 and 17229, 17232 and 17233, 17248 and 17249, 17262 to 17258 incl., 17306 to 17312 incl., 17321, 17331 and 17332, 17510, 17603, 17715 and 17716, 17776 to 17703 incl., 17800 to 17810 incl., 17013, 17017 to 17833 incl., 17915.

THE TRUSTEE
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Luxembourg, April 21, 1983

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NOTICE TO EDR HOLDERS

EDR Holders are hereby informed that April 20 is the record date for determination of persons who will be entitled to receive the year-end dividend.

With effect from April 15 the shares will be traded ex-dividend and EDR Holders are advised that coupon No. 13 to the EDRs will, subject to Directors' approval of the dividend, be used for the purpose of claiming such dividend and will be deemed to have matured on that date. Accordingly coupon No. 13 should be detached from the EDRs presented for surrender and will not be issued with any new EDR.

Subject to Directors' approval of the dividend, a further notice will be published stating the amount and actual date of payment of such dividend, together with the procedure to be followed for obtaining payment thereof, as soon as practicable after receipt of the dividend by the Depositary. Only upon such notice will any payment be made against the presentation of coupon No. 13.

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April, 1983

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In preparation for the payment of the half-yearly interest due July 1 1983 on the above Stocks, the transfer books will be closed at 3.30 p.m. on May 27 1983 and will be re-opened on July 4 1983.

W. E. REEVE
Deputy Secretary.

50 Finsbury Square,
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April 21 1983

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METROPOLITAN BOROUGH OF BURY
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ST. HELENS BOROUGH COUNCIL
Bills issued 10.4.83 £2.5m at 9.51/64% due 19.7.83. Applications £15m. Total outstanding £6.25m.

APPOINTMENTS

Managing director for new Sunley company

Following the resignation of Mr C. W. Newton on March 31, the post of group managing director at TURNER & NEWALL has lapsed. Mr R. D. N. Somerville will deputise for the chairman, Sir Francis Tombs, as chief executive Mr D. W. Hills has been appointed chairman of TBA Industrial Products and T-Glass Fibres in succession to Mr Somerville. Mr D. G. Carruthers, chief executive of Ferodo has been appointed a divisional chairman and chairman of Ferodo, Storeys Decorative Products and Extrudex Products in succession to Mr Hills. Mr Carruthers and Mr Hills have been appointed directors of T&N Materials Research. Mr H. D. S. Hardie, personnel and external relations director of Turner & Newall, has been appointed chairman of the company's Nigerian subsidiaries in addition to his present responsibility for the company's subsidiaries in India.

*

FORWARD TECHNOLOGY INDUSTRIES has appointed Mr Henry Prevezer as a non-executive director.

*

Mr Peter Ayton, group financial controller, has been appointed a director of Miller Buckley Construction, Miller Buckley Civil Engineering, Miller Buckley Leisure and Miller Buckley Projects. He is a member of the main board of BUCKLEY INVESTMENTS, the group's holding company. Mr George Wilbourn has been appointed a director of Miller Buckley Parnell, the group's specialist refurbishment company. He is also general manager of Miller Buckley Parnell. Mr Terry Amos has been appointed a director of Benbow Shopfitting, a wholly-owned subsidiary of Miller Buckley, following the appointment of Mr Derek Winkley to succeed Mr David Benbow as general manager. Mr John Perks has been appointed a director of Miller Buckley Overseas. He is currently in charge of Miller Buckley Australia Pty, the group's Australian subsidiary based in Sydney.

*

FRANK HORSELL GROUP has made three appointments to the board of its subsidiary Marr Engineering. Mr Alec Donaldson has become technical director; Mr Bryan Donaldson, production director and Mr *Brendan Sugden*, finance director.

*

Mr John Huntingford has been appointed to the board of JOHN E. FELLS AND SONS, after two years as financial controller and company secretary.

*

Mr Eric Harding will be retiring as a limited partner of MOULSDALE RENSBURG, stockbrokers, on April 22. Mr Don Ibbotson and Mr Barry Pearl will be joining the partnership on April 23.

*

Mr P. C. L. Guy has been appointed works director of IMI. He joined IMI in 1979 at production director of IMI Rod and Wire at Witton, Birmingham.

*

WESTREX CO, a division of Litton Industries, has appointed Mr Barry Motion, marketing director, its managing director.

*

HUNTERS FOODS has appointed Mr Alan Jones as managing director from May 3. Mr Jones, is managing director of the dairy foods division of Adams Foods.

*

Mr Bob Bettsworth has rejoined FI-CORD INTERNATIONAL group as managing director of its associated software house, Fi-Cord Software, of Manchester. Mr Bettsworth started his career in software with Fi-Cord and later became a partner with an independent software house.

*

Dr G. Hetherington has been appointed deputy chairman (previously group managing director) of TSL THERMAL SYNDICATE and will concentrate on the development of the joint company in partnership with Mitsubishi Metal Corp. In addition he will head a team to investigate and exploit new products. Mr D. F. R. Foord, finance director, will be appointed chairman of Thermal American Fused Quartz Company and Thermal Quartz-Schmelze GmbH. Mr Foord relinquishes his position as company secretary which is now in the hands of Mr J. Tate (previously financial accountant). Mr J. E. Bywater assumes specific executive responsibilities aimed directly towards the restructuring of the company.

*

Following the acquisition of Excelsior Plastics, Hereford, by Sanders Packaging, Malvern, integration of the group to be known as the SANDERS EXCELSIOR GROUP has been completed. Mr J. A. Sanders becomes group chairman and Mr Brian G. Davies has been appointed managing director of Sanders Packaging and financial director of the group. Mr Harry M. Davies remains managing director of Excelsior Plastics and Mr Alex R. Aftalion has been appointed production director.

*

CHEMICAL BANK has appointed Mr Lindsay Rutherford, vice-president, to lead an enlarged financial institutions group in London, which will be responsible for all correspondent banking relationships connected with the London market. *Formerly Mr Rutherford* was manager of Chemical Bank's Manila branch. Also joining the group will be Mr David Nye, vice-president, from the bank's financial services division in London. Mr Nye will be responsible for correspondent relationships with Asian banks.

*

The Civil Aviation Authority has appointed Mr John Thomas, divisional director and chief engineer of the Hatfield-Chester Division of British Aerospace, to serve on the AIRWORTHINESS REQUIREMENTS BOARD. The authority has reappointed Dr Bill Strang, former deputy technical director, British Aerospace *and Mr Jack Pateman*, managing director, Marconi Avionics, to serve on the board for a further term.

*

Mr J. S. M. Jones, Mr J. A. Heywood, and Mr E. A. Macpherson have been appointed to the board of BIFURCATED ENGINEERING.

*

DORMAN SMITH FUSES has appointed Mr Ken Baty as works director. Mr Baty was production superintendent, production manager and assistant works manager before becoming works manager in 1978

*

Mr William G. Bannochie, managing director of Chubb and Son's Lock and Safe Company, has been appointed to the board of CHUBB & SON. He will continue as managing director of the Lock and Same Company.

*

Mr Brian L. Chaffey has been appointed managing director of SUNLEY FULLER CONSTRUCTION MANAGEMENT. This company has been formed by the Sunley Holdings Group and the George A. Fuller Company of New York to undertake construction management contracts, both in the UK and overseas.

*

BRINTEX has appointed four directors. Mr Frank Blake joined in 1964, and has served on a number of Brintex subsidiary company boards. Miss Penny Hill joined in 1975, and has been responsible for development of fashion events. Mr Ewen Stamp is financial director for the municipal group and company secretary, and joined three years ago. Mr Malcolm Taylor joined the municipal group in 1973. Since 1979 he has been involved with exhibitions in the fields of public works, construction, mining and pipelines.

*

Mr John Harrison, chairman of Johnstons of Elgin, has succeeded Mr Gerard Litten as chairman of the NATIONAL WOOL TEXTILE EXPORT CORPORATION, *Bradford-based* organisation responsible for promoting export trade in British wool textiles.

*

Mr Derek K. Lyons will be joining the NATIONAL EXHIBITION CENTRE as director of organising on May 1. He was formerly chief executive of Industrial and Trade Fairs. Mr Keith Holgate, NEC's company secretary who joined in 1975, has been appointed director of finance and administration.

*

Professor G. S. Andrews, Mr G. J. D. Massey and Mr J. L. Paminsky have been elected to the board of ABERCOM GROUP.

*

Mr G. Boden has been appointed managing director (operations) of STEWART WRIGHTSON UK GROUP.

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Accountancy Appointments

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Experience of computers will be essential. Salary will be negotiable around £16,000, with a car and good benefits package.

Write for an application form or send brief CV to the address below, *quoting ref: AA51/8225/FT on both letter and envelope*, and advising us of any other applications you have made to PA Personnel Services within the last twelve months. No details are divulged to clients without prior permission. Initial interviews will be conducted by PA Consultants. Men and women may apply.

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Applications are invited from graduates, aged between 25-35, from a banking and/or accounting background, and preferably with previous treasury experience gained in an industrial or commercial concern. He/she will demonstrate above average personal qualities, in particular the ability to communicate effectively at all levels, and will have the opportunity of future career development within a dynamic Group.

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The role is responsible for the preparation of bi-annual budgets, statutory and current cost accounts for incorporation into the Group's Annual Report, as well as Management accounts, parent company reports and cash management. The ability to communicate effectively is vital to ensure good liaison with general and group management.

Candidates must have a straight commercial approach as well as the capacity and ability to develop with the company. For a high-calibre individual the prospects are first class with a Board appointment within one year.

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THE ARTS

The American Clock/Birmingham Rep

B. A. Young

Arthur Miller's new play is a great mosaic of the U.S.A. in the days of the Great Depression. It contains 43 parts, which in Peter Farago's production are played by 15 actors. There are props that include a couple of pianos, but no scenery, though above the plain octagonal stage where the action takes place a line of screens takes projections of contemporary scenes, sometimes more relevant than others.

At the core of the movement is the Baum family, the youngest of whom, Lee (Joris Stuyck), is clearly to some extent based on the author. The Baums are prosperous people; in the first few scenes they are seen among the rich. As they sit in a speakeasy drinking brandy from a tea-set, they talk of the oncoming disaster, with its first suicide. Soon enough, the Baums have moved into a tiny house in Brooklyn, making do with one bedroom where once they had three bathrooms. Young Lee is still wondering uncertainly about his collage career. The new poverty means to him that he can buy his friend's bike for $12 — but it is brought nearer to him when as, soon as he turns his back on it, it is stolen. By the end of the act, his father is reduced to borrowing small change from him to pay the fare to his work. One character remains above the surface, Arthur Robertson (Don Fellows): he is employed to give a commentary on the course of events.

I felt for a while that the fortunes of the Baum family, of whom we meet half a dozen at least, seemed too unimportant compared with the fortunes of the United States; but in a while, Lee, instead of being one of a nationful of disasters, moves nearer the centre of the action. We follow him to the South, where he sails on a Mississippi steamer in the hope of getting a story, for already he has decided to be a reporter.

Meanwhile, city life is presented through his family and his friends in a multitude of short scenes. Distress reaches its nadir when Lee has to take his father to the relief office to testify that he won't allow his son in his house; only if Lee is living on his own can he claim a handout.

Roosevelt's second term, presented only by projection and voice-overs, is the signal that the Great Depression is over. Lee has become a successful reporter; his cousin Sidney (Andy Panteltdou), who wanted to write a song as successful as "Buddy, Can You Spare a Dime?" is a policeman; Mrs Baum (Antonia Pemberton) has got her grand piano back.

The American Clock is really another of Miller's exercises in nostalgia. It deals with a vast subject, and is bound to make an impression, but I should have admired it more if Miller had used a more concentrated story line instead of trying to present so much through so many channels.

This Thing Called Love/Ambassadors

Anthony Curtis

This Thing Called Love is presented "by arrangement with the Watermill Theatre, Newbury." Everything that has ever been written, sung, performed on the subject of love, making love, marital love and extra-marital love, is grist to the evening. There are contributions from Shakespeare, Raleigh, Betjeman, Sondheim, Cole Porter and Noel Coward, not to mention a host of lesser talents who have expounded this theme. The anthologising has been done by Alec Grahame, David Kernan, and John Moffatt.

The two last-named gentlemen make up half the cast on stage, the other half consisting of Anna Dawson and Jennie Linden. This quartet, wearing eye-catching concert-party costumes, drape themselves around the steps and hexagonal objects that form the set, and proceed to deliver songs, poems, sketches, one-liners with maximum attack non-stop. It is an agreeable enough exercise, well-suited one would have thought to an audience's mood after a good dinner on a long summer evening in the delightful ambience of the Watermill, Newbury; not quite so appetising on a cold night in WC2.

Radio 4 occasionally offers similar compilations, built around some rather nebulous universal notion, and the problem is always the same: to give some kind of shape and point to the rag-bag, however well stuffed it may be with delectable goodies. The present show does not really solve this problem by taking the audience through the various phases of love from youth to old age. The numbers in the first half can be grouped under the general heading of Innocence, and those in the second half under that of Experience. I found more to enjoy in part two.

In part one Mr Moffatt overdid the Poet Laureate's paean to a little girl called Wendy encountered at a children's party; while in part two he got Coward's sad poem "I'm no good at love" dead right. Mr Moffatt is the show's Character Man, running the whole gamut from Albert Chevalier to Tom Lehrer; Mr Kernan is its Male Voice raising the roofbeams with his renderings of songs from musicals and revue; Miss Dawson is its Comedienne, and Miss Linden its Soubrette. Each has a show-stopping moment or two; the honours, such as they are, remain even.

If this show runs, then Aunt Edna lives.

Alastair Muir

Anna Dawson

Record Review/David Murray

Kurt Weill and Francis Poulenc

Weill: The Seven Deadly Sins. Elise Ross with Rolfe-Johnson, Caley, Rippon and Tomlinson, Rattle/City of Birmingham Symphony Orchestra. EMI ASD 4402.

"The Unknown Kurt Weill." Teresa Stratas with Richard Woitach. Nonesuch D-79019.

Kleine Dreigroschenmusik. Violin Concerto. Iona Brown, Atherton/London Sinfonietta. DG 2543 808.

Poulenc: Dialogues des Carmélites. Duval, Crespin, Scharley, Berton, Gorr, Depraz, Finel *et al.* Dervaux/Orchestra and Chorus of the Paris Opera. EMI-Pathé-Marconi C 163-12801/3 (three records, monaural).

Sinfonietta. Suite française. 2 excerpts from "Les Marié de la Tour Eiffel. Deux Marches et un Intermede. Prêtre/Orchestre de Paris. EMI-Pathé-Marconi C 069-10092.

The analogies between Kurt Weill and Francis Poulenc are powerful and tantalising, and somehow improper too: devotees of the music of either composer are liable to rebut heatedly the proposal that it resembles the other's. Politically and sexually, of course, they were very different animals; and after the last world war—which found the uncommitted, conservative Poulenc sitting out the Occupation in his beloved Paris while Weill, permanently exiled and mistrusted in America, wrote anti-Nazi songs and struggled into a new commercial career—their work seemed to fall into incommensurable categories.

Still, comparisons are irresistible. Weill and Poulenc are widely admired, and indeed loved, despite having been written off regularly by progressive musicians as "reactionary" composers, dealers in easy musical tricks, panderers to debased popular tastes. The influence of the *post-Rite Stravinsky* marks their music from the start, but so does the cabaret-idiom of their respective countries (and in each, the national flavour is so pungent as to approach racist parody).

At a time when traditional harmony seemed exhausted of serious possibilities, both were cultivating personal sets of harmonic tics like trademarks. Both were inspired above all by *words*, and were gingerly about undertaking large-scale "abstract" constructions — sequences of two- and four-bar phrases came to them more naturally.

In the middle of a musical *revanche* as we now are, Weill and Poulenc are suddenly very interesting. That is reflected in the gramophone catalogue. The newest Weill release is the "ballet chanté" *The Seven Deadly Sins*, familiar in the *hors concours* recording with Weill's widow Lotte Lenya, but here conducted by Simon Rattle in a much-corrected score and sung by his own wife Elise Ross in a manner owing nothing to Lenya. Miss Ross's light, clear soprano is poignantly effective, backed by an expert male quartet as the "family" who wait greedily at home for this poor "Anna" and her sister to tour America—one "sin" per city—and bring home the bacon.

This new version sounds pristine (the last thing Lenya ever sounded), and the sophisticated originality of the music is much more vivid: one would never mistake it for a mere set of revue-numbers. A "classical" reading, if you like; but not yet definitive. There is emotional power in what Miss Ross does, but her faint German consonants don't answer to the trenchant diction of Brecht's original text. Since Weill's music emphatically does, there are phrases here which lose their bite: one specific example must suffice, Miss Ross's limp "vor geschlossenem Tor" at the end of "Envy," where the same rhythm has a vicious snap in Rattle's orchestra.

There is much more singing bite in Teresa Stratas's new collection of obscure Weill songs, from tiny occasional pieces to bigger theatrical songs. Some of them were unearthed for Miss Stratas by Lenya herself, and there is a palpable Lenya tang in the performances. It is eerily translated, however, through the deliberately polished delivery of an art-song specialist—"eerie" because nothing seems to be lost: Stratas suggests that Weill-style is as natural an extension of recital-singing as Debussy- or Monteverdi-style.

DG has sensibly reissued the non-vocal music from its Weill album by the London Sinfonietta on a single disc. The *Kleine Dreigroschenmusik* is a brilliant suite, drawn from the *Threepenny Opera* music, for a tough little band without strings. The Violin Concerto of 1924 (with accompaniment by winds only), admirably played, shows how developed Weill's idiom was before his collaboration with Brecht made him famous — the manifest result of *hard musical thinking* and stripping-away, astringent but shapely.

The reissue of the 1958 recording of Poulenc's *Dialogues des Carmélites* coincides happily with the Royal Opera *revival*. The cast, with Crespin in her original role of the new Prioress, is devoted as well as immensely distinguished. At the centre, Denise Duval's *Sister Blanche* is an intensely moving creation, though it may be admitted that her mature depth and subtlety outrun the plain innocence of the character. Dervaux is more rigorous, less indulgent, with the score than is Michel Plasson at Covent Garden, and the pellucid French diction is a delight. The recording is irreplaceable, though it leaves room still for a modern stereo version that will take better advantage of space and distance — even the final "Salve Regina" here is a bit close and congested.

Prêtre's record of orchestral Poulenc is another welcome reissue, though perhaps chiefly for addicts. The 1947 Sinfonietta is probably an amiable failure, by the composer's high standards — a gracious assemblage of familiar Poulenc gestures, even self-quotations, that carries too little weight for its symphonic length. The other pieces are minor but vintage: amusing to find in one of the *Marches*, music commissioned for a grand dinner, material that not only recurs in the Sinfonietta but introduces the tragic finale of *The Carmelites*.

John Thaw as Sir Toby Belch and Sarah Berger as Olivia in a scene from the Royal Shakespeare Company's Stratford-upon-Avon production of 'Twelfth Night,' which opened last night. Directed by John Caird, the production also stars Zoe Wanamaker as Viola

Lady Macbeth of Mtsensk/Duisburg

Andrew Clark

A riveting musical drama receives a welcome revival

Almost 25 years have passed since the Deutsche Oper am Rhein revived *Lady Macbeth of Mtsensk*; but the amount of international interest which Shostakovich's second and final essay in major operatic form has been accorded since that pioneering production has been disconcertingly thin. In musical characterisation and dramatic impact, *Lady Macbeth* is a minor masterpiece from an energetic young composer; it is immensely challenging for a dramatic *soprano* and *rewarding* as an ensemble piece; and it is a more approachable work than many other operas from East Europe that have come into vogue in recent years. So its neglect since the score was revised and made more available in the West in the early 1960s is perplexing.

The Deutsche Oper am Rhein deserves credit for returning to the work for the company's final new production of the current season. As in 1959, the producer is Bohumil Herlischka, one of the most dependable, stimulating and musical of stage directors working in West Germany. He vindicates *Lady Macbeth* as a riveting musical drama, highlighting the sympathetic treatment given by the young Shostakovich to Leskov's heroine, and providing a contrast to the limp production provided by the Kiev Opera at last year's Wiesbaden festival.

True to form, Herlischka eschews elaborate stage design, preferring to create atmosphere by a subtle lighting plot from the wings and by suggestive props—some icons and a rich curtain drape in the first scene, a simple old-fashioned four-poster in Katerina's bedroom, and an old sleigh for the steamy courtyard introduction to Sergei.

He avoids caricature, to his cost in the police station scene, which is a flop; but the approach pays off elsewhere, in reinforcing the ugly tyrannical nature of the father-in-law, and providing an erotic tension in the bedroom scenes. The brute force of sexual energy and physical violence, although never actually explicit, is conveyed with such voltage that even some members of the hardened Duisburg audience were taken aback on the first night.

Herlischka's setting of the final scene in a concentration camp would have worked, had he not tried to up-date it with modern search-lights. Even here, however, he pulled off a startling coup by having Katerina catapulted from her drubbing at the hands of her fellow convicts, onto the barbed wire fence facing the audience, in a perfectly-timed crescendo.

At this point, the terrified, *wide-eyed* expression of the American soprano Mani Mekler provided the climax to a virtuoso performance. Behind her gutsy, uninhibited, yet utterly controlled acting, she displayed complete identification with Katerina's suppressed need for love, the inexorable personal agonies, her underlying nobility and courage. Miss Mekler's command of pitch and line was gilded with the same intensity of delivery. It is no overstatement to say she is ideal for the part.

That the whole opera was cast from company strength is a tribute to the current quality of opera in Duisburg and Dusseldorf, which will see the production later. The musical direction, using the original score, was in the competent hands of Friedemann Layer; but in spite of his rapport with the stage, there was a flaccid quality in the orchestral accompaniment that prevented the shattering power of the major interludes from being realised in full. That apart, this latest pleading of *Lady Macbeth*'s cause should be unreservedly welcomed.

Menuhin violin competition winners

In the Yehudi Menuhin International Violin competition, sponsored by Orion Insurance, which took place recently in Folkestone, Xiao Dong Wang, a 13-year-old Chinese boy, won £2,500 plus a silver medal in the junior section. First in the seniors was Leland Chen, aged 17 from Taiwan, winning £3,500 plus a silver medal.

Royal Philharmonic/Festival Hall

David Murray

Charles Dutoit, of whom we are seeing a good deal this spring, appeared again on Tuesday to conduct the RPO in a half-French, half-Bohemian programme. The Bohemian part was Dvořák's "New World" Symphony. It sounded no more American than it ever does (apart from the cut of a couple of tunes), but also less comfortably Bohemian; this was more of an EEC performance, poised and quite well polished but without a recognisable native accent. The dance-passages in the first movement suffered; the playing was sharper later.

The concert had begun with *L'Apprenti sorcier* of Dukas. That clever little score is virtually conductor-proof, which drives many a conductor into devising obtrusive tempo-changes and the like just to make his presence felt. Dutoit eschewed such foolishness, and treated it crisply and faithfully. Ravel's *La Valse* was so much worse treated that one had to suppose Dutoit dislikes the piece. Recklessly fast and loud, it lost most of the exquisitely over-the-top "Viennese" details that give it a point.

Pascal Rogé, a superlative Debussy pianist, was defeated by Ravel's Concerto for left hand alone. He played it with fingers (and a jabbing, inaccurate thumb) alone, without arm-weight, and was duly swallowed up by the orchestra again and again. His opening flourish was studded with wrong notes, and the grand continuation with lamentably unstylish broken chords. The vast romantic cadenza at the end was nervous and bitty, and by the last page it came apart altogether. Sad to hear a notable artist doing so little justice to himself, particularly since Dutoit engineered the orchestral part very well indeed.

Verity Bargate Award

Tony Craze has won the first Verity Bargate Award for his play *Shona*, a study of a schizophrenic girl. The award is to be given annually for a new play and commemorates the work of the late Verity Bargate, founder of the Soho Poly Theatre, who encouraged many young playwrights who have since earned recognition. *Shona* will be staged at the Soho Poly and will be published by Methuen.

The judges, who included Barrie Keeffe, Liz Calder and Charlotte Cornwell, also decided that two other plays, *Lunch Girls* by Ron Hart and *The Shelter*, by Johnnie Quarrell, deserved publication in the same Methuen volume. The three winners shared the £1,000 prize money.

Born in Cornwall, Craze studied at the Watford School of Art and the London Film School. His first play, *Confrontations*, was staged at Croydon Warehouse in 1981. He is an active member of the Theatre Writers Union.

Ron Hart, whose winning play is a comedy featuring four women, is an insurance broker who has been writing plays for 10 years. He also wrote the screenplay for the British Film Institute's adaptation of John Berger's *A Fortunate Man*.

Former docker Johnnie Quarrell works for a consortium bank in the City. *The Shelter* is set in the East End during the Blitz.

Premiere at Watford

Sir John Mills is starring in the premiere of *Little Lies* by Joseph George Caruso at the Palace Theatre, Watford from April 29 to May 28. Based on Pinero's classic comedy *The Magistrate*, the production will transfer to the West End in July.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

April 15–21

Exhibitions

PARIS

Giorgio di Chirico: Beaubourg is showing some 100 paintings and 40 drawings by De Chirico, including the most important ensemble of his metaphysical work ever. Centre Georges Pompidou, Grande Galerie, 5th floor. (2771112). Closed Tue. Ends April 25

Claude Gellée or Le Lorrain (1600-1682), as his name indicates, was born in Lorraine but spend his creative years in Rome. He was a painter of luminous landscapes and a poet of the sea. He influenced Turner and Monet and was admired by Goethe and Keats. His love of nature charmed the English, yet his compatriots failed to appreciate him fully. Thus many of the oils, drawings and engravings in this exhibition, significantly organised on the initiative of the National Gallery of Washington, will be seen for the first time in France. Grand Palais. Closed Tue. Ends May 16 (2603926)

Claude Monet: Homage is paid to his Giverny period with 45 of his paintings, including the nympheas, at the Centre Culturel du Marais, 28 Rue des Francs-Bourgeois (2773225). Closed Tue. Ends July 17th.

Edouard Manet: An exceptional retrospective marks the 100th anniversary of the artist's death including Olympia, the Bar at the Folies Bergeres, Nana and Dejeuner sur l'Herbe. Paintings, which at the time created such a scandal, are now seen as classics in the tradition of Franz Hals and Velasquez, whom Manet revered. Yet at the same time they are a homage to one of the first impressionists and a pioneer of modern art. Grand Palais, April 16 – August 1, closed Tue. Late night Wed till 10pm (2615410).

ITALY

Milan, State Archives: Ludovico il Moro, his City and his Court (1480-1499). Ends May 2.

Venice, Palazzo Grassi: Paintings including works by Picasso, Morandi, de Chirico and Kandinsky. Ends April 24.

Venice, Museo Correr: Eighteenth century engraving. Ends June 5.

WEST GERMANY

Cologne, Rautenstrauch-Joost Museum: The only German venue of an exhibition featuring 2,000 Mexican wooden dance and death masks. Also Pre-Columbian objects on loan from the Instituto Nacional de Antropologia e Historia in Mexico City. Ends May 15.

Hanover, Kestner Gesellschaft, 16 Warmbüchenstrasse: The complete graphic work of Oskar Kokoschka, the Austrian expressionist, carefully guarded against daylight so as not to damage the delicate water colours and drawings. Ends May 15.

Berlin: National Gallerie, 58 Kurfürstenstraße. The only German venue of Swiss artist Ferdinand Hodler exhibition, which offers the first comprehensive survey of his work since his death in 1918. Ends April 24.

Hamburg, Kunsthalle, 1 Glockengiesserwall: Portraits from Martin Luther's times. Ends April 24.

Bonn, Städtisches Kunstmuseum, 7 Rathausgasse: 140 works by Paul Klee, August Macke and Louis Moilliet from a Tunisian trip which the three took together shortly before the First World War. Ends April 24.

Cologne, Kunsthalle, 1 Josef Haubrich Hof: Georges Rouault – 280 paintings, water colours, gouaches and graphics. Ends May 8.

Hamburg, Museum für Völkerkunde, 64 Rothenbaumchaussee: The Museum for Ethnology is showing arts and crafts from Guizhou (Southwest China). Ends April 30.

Berlin, Antikenmuseum, 1 Schlosstrasse: Animal Depictions Over Four Thousand Years has more than 250 bronzes, vases and terracotta sculptures of hunting scenes and domesticated animals. The works range from the times of the Egyptian Pharaoes to the end of the Middle Ages. Ends May 5.

Munich, Villa Stuck, Prinzregentenstrasse 60: Water colours and drawings by Oskar Kokoschka, the Austrian expressionist (1886 to 1980) famous for portraits of German politicians. Ends May 24.

Cologne, Wallraf-Richartz-Museum, An der Rechtsschule: Irish art of three thousand years comprises virtually all Irish national treasures on loan from the Irish National Museum, Trinity College, Dublin, and Irish Academy of Sciences, Manuscripts, relics of Irish Saints and utensils from the workshop of Irish monasteries; silverware; and gold and silver jewellery. Ends June 2.

LONDON

Hayward Gallery: Landscape in Britain 1850-1950. A lucky-dip of an exhibition rather than a close scholarly exercise, but none the less enjoyable for that. The good things are there to be discovered among the interestingly moderate and even sometimes rather awful greater part; and if some of the great names are not too well represented, Whistler and Sickert for example, enough of the more obscure are all the more in evidence, and on their very best behaviours, from minor pre-Raphaelites to fifties expressionists. Ends April 17.

VIENNA

Musem für Angewandte Kunst. Two exhibitions which are closely allied. Böttger earthenware with porcelain from the collection of Augusts des Starken (1670-1733) from Dresden, and Meissner porcelain from 1710 to the present day. The early manufacturing of porcelain under Augusts des Starken led to the more refined manufacturing known as Meissner.

NEW YORK

Metropolitan Museum of Art: Those overwhelmed by the sheer volume of art at the Vatican will much appreciate the present loan of 230 choice pieces, including the Apollo Belvedere, Caravaggio's The Deposition and even modern pieces by Matisse in what the museum is calling its show of a decade. Ends June 12

Whitney Museum: Films and videotapes by 30 artists highlight the 62nd Biennial for American artists, including Frank Stella and Jasper Johns among the 76 artists represented by 124 works. Ends May 22.

WASHINGTON

National Gallery: Seven major series by sculptor David Smith are represented in the 60 large works in welded metal included in the exhibit. Ends April 24 (3572700)

CHICAGO

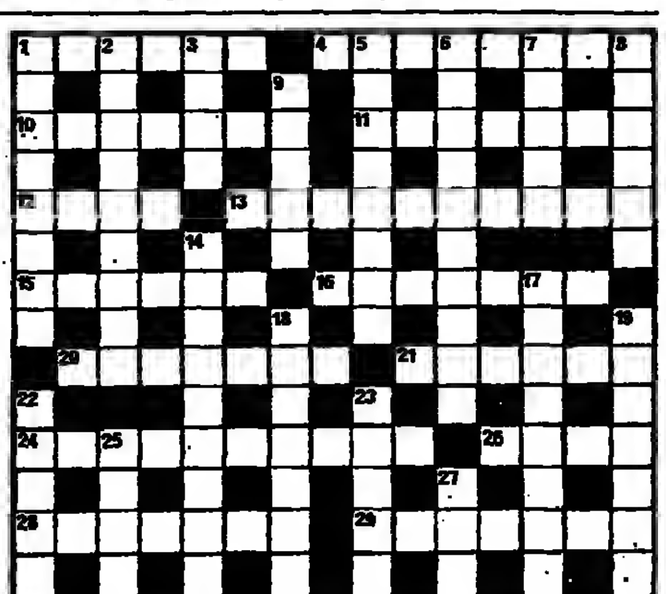
Chicago Historical Society: Besides a permanent collection with a visual biography of Lincoln, audio-visual account of the great fire and daily demonstrations of weaving and candlemaking, this regional institution has a special show of something Chicagoans must know well: cold-weather clothing over the last century. Ends May 1.

Museum of Contemporary Art: To complement the museum's self-appointed task of documenting American unschooled naif painters comes an exhibit of 47 unschooled German painters of the 20th century, among them Adalbert Trillhaase, the Bible-painting clerk who inspired Düsseldorf realists early this century. Ends May 22.

BRUSSELS

Société Générale de Banque: Art Nouveau to Today – 100 years of European glass. Ends May 20.

F.T. CROSSWORD PUZZLE No. 5,152



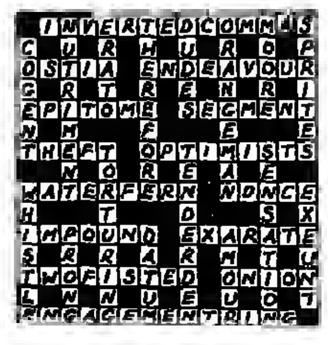
ACROSS

1 Processed heroin available at a price (2, 4)
4 Fighting and winning (8)
10 Foreign parts (7)
11 Quickest way home for some workers (7)
12 Hasn't any choice of new wine? (4)
13 Perfectly impractical? (10)
15 Firmly established as a growing concern (6)
16 Went around in a female dress? (7)
20 Annoyed when out of a pain-killer (7)
21 They support various trusts (6)
24 Pointed telegram warning us to keep out? (6, 4)
26 Ready to tackle anything but work (4)
28 Alarm rattles disturb (7)
29 Swallow one drink (7)
30 Some have a disturbed rest in part of England (8)
31 Greek centre replaced by French in Polish port (6)

DOWN

1 Again, but for the last time presumably (4, 4)
2 Informs the next generation how easy victories are gained (5, 4)
3 Sufficient space to tie a ship up (4)
5 A banker's order in America (8)
6 Improve meal or I eat out (10)
7 Being a fool I do it wrongly (5)
8 Fat, it is said, of the land (6)
9 Away team gets a lead (5)
14 Uncalled for correspondence (4, 6)
17 Children are given it in different forms (9)
18 Position of uncertainty (8)
19 Star skater is upset (8)
22 Corrupt practices a sailor employs (6)
23 Spruce up old vehicles (5)
25 Kingdom not fancied by many (5)
27 A clear, dry solution (4)

Solution to Puzzle No. 5,151



FINANCIAL TIMES

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Thursday April 21 1983

Constraints on the press

THE LABOUR PARTY'S campaign document for the next general election, publisbed last month, contains the following statement: "Our aims in the media are to safeguard freedom of expression, encourage diversity and establisb greater accountability. For all the media, wa will introduce a statutory right of repty to ensure that individuals can set the record straight."

The commitment to the right of reply is not particularly surprising, for the issue has heen hrewing for some time and is not confined to the Labour Party. In the House of Commons in February Mr Frank Allaum, the Labour MP for Salford East, almost carried the second reading of a Bill to this effect. The voting was 90 in favour and seven against. The motion was only negated because less than 100 MPs appeared in the division lobbies. Several Conservatives helped to sponsor the Bill and others voted in support.

The issue of the behaviour of the press bas also been in the news recently because of the cheque book journalism relating to the case of Mr Peter Sutcliffe, better known as the Yorkshire Ripper. This was severely censured by the Press Council, but it emerged once again that the council is at best a watchdog without much power to bark, let alone bite.

Criticism

It is thus now a question of whether the demands for the statutory rigbt of reply will continue to gain ground or whether the Press Council can be adequately strengthened as even some of the opponents of Mr Allaun's Bill would like.

Criticism of the existing council is based not only on its impotence: it has no powers to require a newspaper to publish a reply and none to punish it. It is also exceedingly slow in reaching its conclusions: delays of six to nine months are quite common and, as Mr Phillip Whitebead, Labour MP for Derby North, pointed out in the Commons debate, its reports for 1978 and 1979 were only published in the last few months. The point of redress is that it should be granted quickly; otherwise the damage is done.

There is, too, a lack of public impact. Mr Patrick Neill QC, the present cbairman, is also the chairman of the Council for the Securities Industry as well as Warden of All Souls. These commitments inevitahly limit his influence on the journalistic profession.

Reform

The Press Council has recently promised that it will reform itself hy seeking to speed np its conciliation procedures. It may even introduce new arrangements under whicb a Press Council official or panal would rule on a complaint and, if appropriate, tell an editor that a reply must be published. Yet such suggestions have been heard before and the precise proposals for reform bave been slow in coming.

As it happens, Mr Neill is about to retire from the position. His successor will be chosen at a meeting of the council next month. There is a strong case for a senior figure wbo bas earned the respect both of the Press and of the public at large and who would be willing and able to exercise leadership.

Ooe of the articles of the Press Council's constitution says that the chairman "shall be a person otherwise unconnected with the Press" and it is rigbt that he should be seen to be independent of previous Press interests. Yet a part-time chairman wtih several other jobs to do is no longer the obvious answer.

If statutory controls are to be avoided, which we believe they must, then self-regulation must be made effective. The difficulty is to persuade members of an intensely competitive industry to accept some restraints on their freedom of action in the interests of the Press as a whole. At present there is a reluctance to accept such constraints; It is Mr Allaun and his supporters who are making the running. That is why a strengthening of the Press Council is urgently needed.

Free trade in services

AN IMPERFECT grasp of the language caused Britain's first Hanovarian king to declare as be landed on English soil: "I come for all your goods." The United States appears to have made a similar diplomatic *gaffe* by presenting too much in its own idiom the case for free trade in services.

Resentment of the Americans' frontal attack at last November's ministerial meeting of the Gatt is still simmering in the Third World and in some European capitals. Justified or not, that resentment has to some extent determined the manner in which the free traders must now proceed.

That liberalisation of world trade in services —which is in the U.S.'s own interest, as it is also in Britain's—sbould not obscure the important underlying point: invisihle aervices are not so very different from visible products. What is good for America may also be good for the world as a wbole. The postwar dismantling of tariffs on goods has fuelled a beneficial explosion in world trade: if the same effort were now to be applied to invisibles, equally beneficial results—not least for employment—can be foreseen.

The American initiative is dictated by rapid structural changes in tbe U.S. economy. An estimated 70 per cent of Americans are employed in service industries, 10 per cent in government and only 20 per cent in manufacturing. Over half of Britain's 20.5m employed are in the service sector, and invisible earnings are reckoned to be equivalent to half the UK's import bill.

Dangers

Current preoccupation with the decline of "smokestack" industries and the dangers of mass unemployment and protectionism should not be allowed to stifle the debate about trade in services. Nor is it necessary in the course of that debate to encourage manufacturers' incipient inferiority complex with sweepiog projections about the "right" halance between manufacturing and service activities.

A useful starting point for wbat is, admittedly, an amhitious venture would be for the U.S. and her opponents on this issue to understand each other's prejudices. The Americans bave wbat has been called "an intellectual gut feeling," an ideological commitment to free trade from which they then proceeded to derogate as political circumstances dictate. Some European nations, on the other hand, have a jealous, cultural attachment to their native service industries which they are reluctant to give up.

For example, the West Germans, proud free traders in goods, have some of the strongest legal restrictions on what financial and other services their businesses may buy abroad. The French, whose export of services has flourished over the past decade, do not perceive a problem. Apart from that, they tend to view any U.S. initiative with suspicion.

As for the Third World, the tendency is to see Anglo-American interest in opening their markets as another manifestation of economic imperialism. The newly industrialising countries will not readily be convinced, as they need to be, by the free traders' argument that they too can reap balance of payments benefits from letting the sophisticated service operators in.

Interest

There are more practical obstacles. Services should be treated as goods, hut they are not, of course, the same thing. The flow of data must sometimes be checked in the interests of national security or personal privacy; sophisticated electronic technology cannot be passed to enemies; countries won't protect their merchant fleets for strategic reasons; all airlines cannot use all airports.

Secondy, multilateral negotiations within the Gatt—the obvious forum—cannot take off until the EEC bas itself come to grips with the question. There is growing interest within the Commission in plans to free the internal market in financial and other services, but the political will on the part of a numher of governments is lacking.

There is also the sheer statistical difficulty of counting and categorising services and in identifying the sometimes obscure harriers to their free exchange.

For these reasons it may take longer than the Americans hope for comprebensive negotiations to begin. In the meantime, governments must chip away at barriers already erected which cannot be justified on security grounds, and pause before legislating new ones. Restrictions on trade in services are damaging to the world economy.

U.S. COMMODITIES TRADING

Computers come into their own

By Nancy Dunne, recently in Chicago

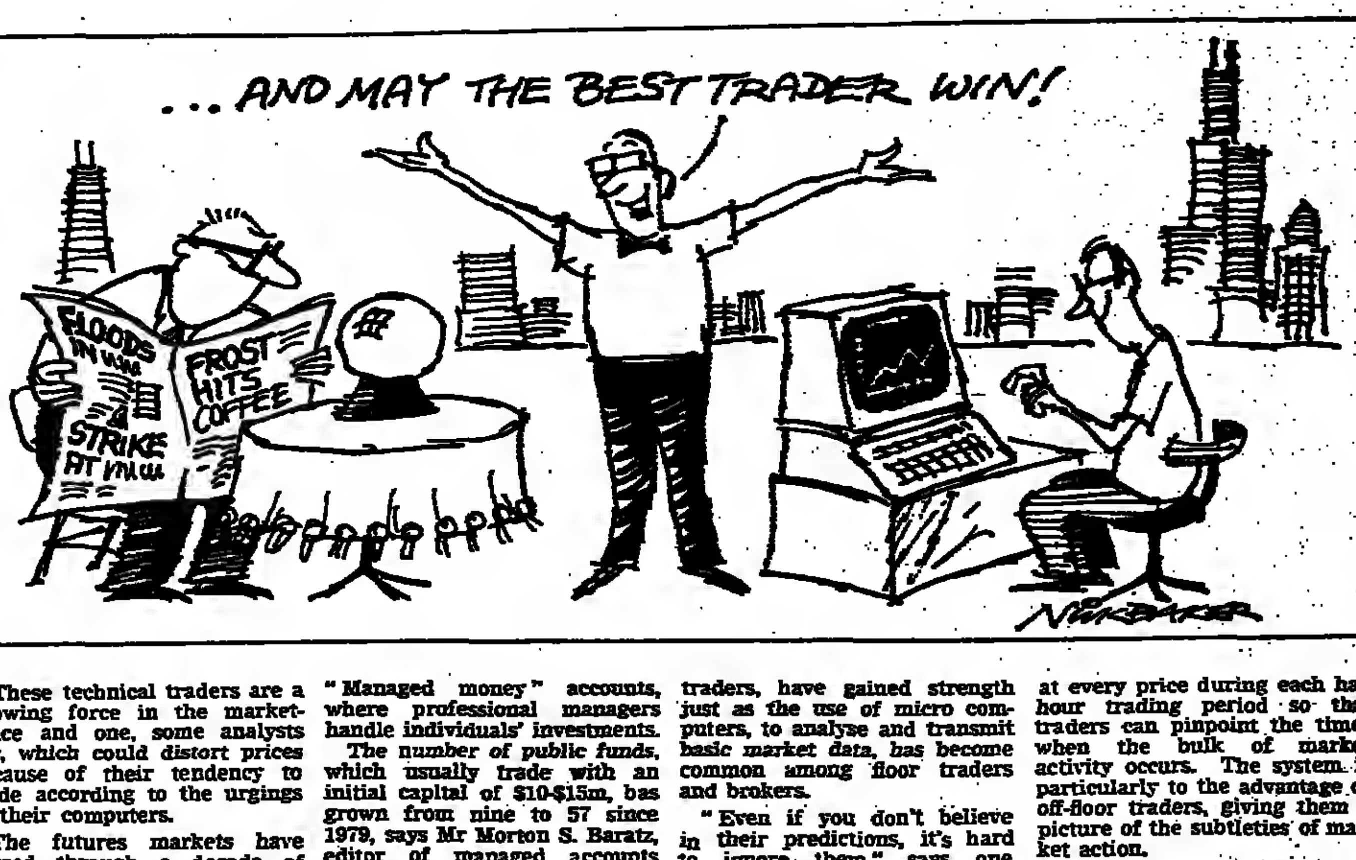
IT WAS a challenge worthy of an American floor trader, one of the hrasb and wily breed which oils the wheels of the U.S. futures markets. So Mr Arnold Elman, vice-president of sales of Chicag Grain and Financial Futures Co., accepted a dare last November to pit bis considerable skills against a small home computer.

For eight days Mr Elman traded in the hog pit at the Chicago Mercantile Exchange, while the Quotrader, a modified Apple computer, spewed out orders for no fewer than seven commodities.

The results were later memorialised in song by Mr Daniel Rabfeldt, public relations consultant for Mr Grant Renier, chairman of Quotrader Corporation.

. . . And they locked horns
together,
Each traden' as best they could,
But when the smoke cleared,
It was what Elman feared,
The computer had beat him at
his game. . . .

At the end of the contest, Mr Elman's trading bad produced a return on his original investment of 1.82 per cent. The Quotrader, which produces up-to-the-second price quotes, instantaneous charts and market orders all day long, bad earned a return of 4.08 per cent. Mr Elman now keeps a Quotrader in his office and uses lt as "a tool," but be still insists that, in the long term, it is the fundamental laws of supply and demand, rather than some mysterious compilation of trends by compnters, which move markets.



The fundamentalists are to be found in larger numbers on the exchange floor

Beneath the light-hearted rivalry of this man-against-machine match is a serious, long-time division within the futures industry between the fundamentalists, like Mr Elman, and the chartists, who believe that the right system, based on a close examination of past trends in the market, will yield the greatest profits.

The fundamentalists are to be found in far larger numbers on the exchange floors, where they keep a constant eye on the news. War, peace, weather, assassinations, elections, government programmes, cartel talks—and developments reflecting an ultimate change in the supply-demand equation can move them to buy or sell.

The chartists dispassionately remove events of the day from consideration as they track volume, open interest (uncovered positions), moving averages, and oscillators. Some follow cyclical and seasonal fluctuations, some chart price configurations and trade when a commodity breaks out of the pattern.

These technical traders are a growing force in the marketplace and one, some analysts say, which could distort prices because of their tendency to trade according to the urgings of their computers.

The futures markets have passed through a decade of dizzying growth with the number of participants, contracts traded and exchanges surging dramatically. Financial futures bave taken an increasing share of the volume, and trading in currencies and energy futures bas expanded steadily.

Stock index futures, which allow bedging hy equity investors, are expected to explode in volume. Commodities Futures options—which give the buyer the right to take up a contract at a future date—are now attracting the more cautious trader. Two new completely compnterised exchanges — with floor traders — plan to start operation this year.

These developments—coupled with the belief that small investors are fighting overwbelming odds wben they invest alone on the futures markets—has led to the growth of so-called "Managed money" accounts, where professional managers handle individuals' investments.

The number of public funds, which usually trade with an initial capital of $10-$15m, bas grown from nine to 57 since 1979, says Mr Morton S. Baratz, editor of managed accounts Reports, an industry newsletter.

The number of private pools—where a group of investors pool their money together — which nsually start trading with $500,000 to $1.5m, has also risen, as has the number of investors keeping individual accounts with the 2,400 registered trading advisers. Mr Baratz estimates that at least $2bn is now invested in futures through managed money accounts.

And most of it, be says, is controlled by chartists.

"Funds are growing fantastically," says Mr Elman, whose company does 98 per cent of its business with mutual funds, pools and brokers. "Computers give them discipline, which the average individual doesn't have." The most important thing to learn, be adds, is when to cut your losses, "and most individuals can't do that."

The chartists, or technical traders, have gained strength just as the use of micro computers, to analyse and transmit basic market data, has become common among floor traders and brokers.

"Even if you don't believe in their predictions, it's hard to ignore them," says one trader, who uses his to keep track of price movements and volume statistics.

Quotrader Systems has even developed a chip for handheld computers which advise traders when to buy or sell, even wben they are on the move.

Mr Manuel Abundis, manager of operations of Commodity Information Services, provides daily trading programs fed directly into traders' computers. He now has five competitors in what has become a growing field for programmers. His service, he says, will be offered internationally in August.

The growth in computer usage has prompted the Chicago Board of Trade to develop a "liquidity data bank" to provide details of "volume discovery." Designed to complement the usual price data, the system gives the trading volume at every price during each half hour trading period so that traders can pinpoint the times when the bulk of market activity occurs. The system is particularly to the advantage of off-floor traders, giving them a picture of the subtleties of market action.

Computers have made possible increasingly sophisticated trading systems. A technique which is producing losses can be exchanged for another system, or it can be modified after simulated trading in a variety of market conditions to ensure that it gives improved results.

One company offers individually tailored charts drawn to each investor's specifications. Another combines 23 different computer trading systems. When six of them agree, a trading recommendation is made.

Mr Ted Thompte, a trading adviser who uses a variety of systems, specialises in "damage control procedures." Whan losses reach a certain level, he removes a strategy from trading.

"I would rather stand aside with the potential of losing profits than operate a strategy when it is behaving strangely and risk radical losses," he says.

How well the technical traders are doing is open to question. While Mr Thompte last year produced a 21 per cent profit for his investors, other advisers suffer losses. Between 1979-1982, all public funds listed in managed account reports earned only 17 per cent compounded annual return on initial investments.

While some systems work well in some markets, they do not do so in others. Moreover, at times when fundamentalist operators do comparatively little trading — when for example there are few news developments — most computer systems still go on producing trading recommendations. But when prices are whipsawing — and the fundamentalists are very busy — the computer systems run into difficulties finding it hard quickly to determine clear trends.

The number of trades resulting from computer - based systems is likely to grow. For now, the trend apparently works to the advantage of those floor traders who know that when the market has moved to a certain level, computer orders will be executed.

"A lot of people use the same approach, like the moving averages," says Mr Warren Griggs, an account executive with Chicago Grain. "Many orders cluster in the same area.

A theory heard among traders: "Buy on the full moon, sell on the new moon"

Traders are aware of what the major systems are doing, and they take advantage of it."

While there is some worry that price moves are exaggerated by large blocks of orders coming in around the same price, most chartists contend that the proliferation of systems makes computer trades unpredictable. They say that the impact of any "trend following" trading is usually an aberration, immediately corrected by market forces.

Technical traders are more likely to move the markets when prices are already particularly volatile, according to Mr Thomas Russo, a partner in the law firm of Cadwalader Wickersham and Taft and an expert on the commodity markets.

Meanwhile, the search for the perfect system goes on. Mr William Taylor of Computerised Commodity Research has tested 10,000 possible combinations to determine composite criteria judging the effectiveness of various trading systems.

For a lark, he tested a theory he had heard among traders: "Buy on the full moon, sell on the new moon." The results? "It wasn't as good as moving averages, but it worked better than oscillators," he said. "I made money going short in gold on the new moon."

THE RISE OF EUROPE'S COMMODITY FUNDS

MANAGED commodity funds, and compnter trading systems, have crossed the Atlantic and are an increasingly important influence in London futures markets too. They are the futures market equivalent of unit trusts on the Stock Exchange. There is a problem in Britain, since under existing UK legislation, the promotion of commodity syndicates or funds is forbidden.

As a result funds trading in *actual commodities* or *the* futures markets are hased in tax havens, meaning they also avoid UK tax rates. Authorised UK commodity funds deal only in commodity company shares and are, therefore, really only another form of specialised share unit trust.

Elsewhere in Europe, especially in West Germany, funds trading in futures markets have become increasingly popular. Because of the high leverage provided by the fact that only 10 per cent deposits on an investment are required in futures trading, the funds can offer an above average if risky return.

The concept of funds is being strongly pushed by brokers, who are keen to steer smaller clients in particular into syndicates or funds. Clients in funds cost a great deal less to service and have a better chance of avoiding the kind of heavy losses that can be incurred in direct dealings on futures markets, resulting in bad debt collection problems.

The advautage of funds is that they can offer a limited risk investment, with potential losses confined only to the amount invested. Management of the money is left to professionals instead of requiring day-to-day following of the markets.

This is of special appeal to financial institutions, such as pension funds, who want to put some of their portfolio into basic raw materials as a hedge against inflation and currency changes, but are reluctant to become too closely involved in "gambling" on the futures markets. At the same time there are potential tax advantages for the private speculator, since any profits made from an investment in shares of a commodity fund are much more likely to be viewed as liable to capital gains tax by the Inland Revenue. Although this is a grey area, if he traded on his own account be would be liable to a much higher rate of income tax.

John Edwards

Men & Matters

Leveque's bank

Jean Maxime Leveque is back in the driving seat. But the vehicle is brand new.

The man wbo did so much to build up Credit Commercial de France left the bank after it was taken over by the state in tha wave of nationalisation following Francois Mitterrand's victory at the polls in May 1981.

Last year be gave a first indication of a new banking and husiness career when he set up a holding company in Curacao —IBM Holding.

Saudi interests have a majority shareholding in the new venture and $80m of the $160m capital bas already been subscribed.

Three European banks bold minority stakes—Kredietbank Luxembourgeoise, BHF Bank, and Nederlandsche Middenstandbank.

International Bankers Incorporated is now tha first wholly-owned subsidary of IBM Holding. It has heen set up in Luxembourg and will start operating in May.

The bank will be beaded by Jean de Roquefeuil who is relinquishing bis post as assistant general manager of . . . Credit Commercial de France.

For the time being the new hank will concentrate npon short-term financing operations in *the Middle East* and the EEC.

Leveque is one of those people who actually practises what he preaches. In the run up to the French presidential elections two years ago ha went on record in tha press and in pnhlic dehate attacking the nationalisation plans proposed by the Left and warning of what he felt would be their consequences.

Indeed, his rather American-style hustings behaviour surprised many of his more staid Paris peers.

Now, at the age of 59 and with International Bankers his new brain-child, it is clear that the former head of France's third largest private bank has lost none of his drive or enthusiasm for new ventures.

Brothers grim

The king ls dead—Long live the king. As Jimmy Knapp, the new left wing general secretary of the National Union of Railwaymen, was being acclaimed at the Scottisb TUC yesterday in Rothesay the jibes at his predecessor the right wing Sid Weigbell came thick and fast.

Ken Gill, the commmist general secretary of the white collar engineering union TASS, and a former TUC general councll colleague of Weighell, led off the attack saying "We are fortunate this week that we don't have Sid Welgbell with his 'pig trough' theories."

He was probably beaten in punching power, bowever, by Michael Meacher, the left wing MP. Speaking at a Tribuna fringe meeting he made a reference to the National Health Service strikes last year and to Weighell's ousting in a voting row.

Meacher's view was that Norman Fowler, "was about as much use as Social Services secretsry as Sid Weighell would have heen as chairman of the Electoral Reform Society."

When the brothers fall out *blood is clearly thinner than* water.

Dry run

Rowing a boat on dry land aeeems an excellent way to get nowhere in a hurry.

Yet a number of distinguished archeologists, naval architects, and oarsmen, are going to Greanwich today hoping to do just that.

This idiosyncratic hehaviour which will take place in the grounds of the National Maritime Museum is the latest stage in the £250,000 project launchad last year to build a 115-ft long Greek trireme.

The clues surviving in Greek literature as to bow a trireme actually functioned—clearly to operata three banks of oars each side in unison was no mean feat—have been put to good use to build a full-scale working system of the rowing positions at Greenwich.

"A pound coin—you call that a tip?"

Participants in the Greek Trirema Seminar today and tomorrow will be trying their luck as ancient oarsmen and also trying not to get the huge oars entangled. A water tank has been provided to giva them something to dip into.

If these preliminary "sea trials" are successful the leaders of the project including Professor John Morrison, former president of Wolfson College, Cambridge, Frank Welsb of Grindlay'a Bank and John Coates, former chief naval architect at the Ministry of Defence, hope a full-scale trireme for aome 170 oarsmen can be huilt, probahly in Greece.

If it can be launched on the Aegean as hoped in 1984 it will turn the clock back hy some 2,000 years—the interval since such a vessel was last sean in those waters.

Happily no slave-drivers, or overseers with whips are being trained. All tha oarsmen will be volunteers.

Economic man

The next president of the CBI is to be Sir James Cleminson, aged 61, chairman of Reckitt and Colman for tha last six years and a man of Norfolk who owns that his recreations include huntin' shootin' and fishin'.

Bnt those pursuits reflect the more relaxed side of the man. As chairman of the CBI's powerful economic situation committee be has been prominent for standing up for industry during the recession and throwing a few brickbats on occasion at the government's economic policies.

Students of CBI politics are noting that Cleminson's choice as next president confirms a recent pattern. He will be the third president in succession to be chosen from the leadership of the economic situation committee — which masterminds the CBI's influential industrial trends survey each quarter.

Cleminson will find the current CBI president Sir Campbell Fraser, chairman of Dunlop, a hard man to follow. Fraser made such a good speech when introducing Mrs Thatcher at the CBI dinner this week that she complimented him publicly before starting her own speech. And she also had ber aides scurrying about to collect a quotation from 19th Century economist Walter Bagehot to cap one that Fraser threw at her.

Art form

Heard from a middle-aged American in a Mayfair botel har: "I know yon British think we're only interested in money, but that's just not true—in my home town we have an art gallery that cost over a million dollars."

Observer

ECONOMIC VIEWPOINT

How to sustain world recovery

By Samuel Brittan

NOW THAT there is sufficient evidence of at least a moderate world recovery—and possibly more—the debate has moved on to the question of how to sustain it. How is it to be prevented from either petering out or exploding in a new burst of inflation?

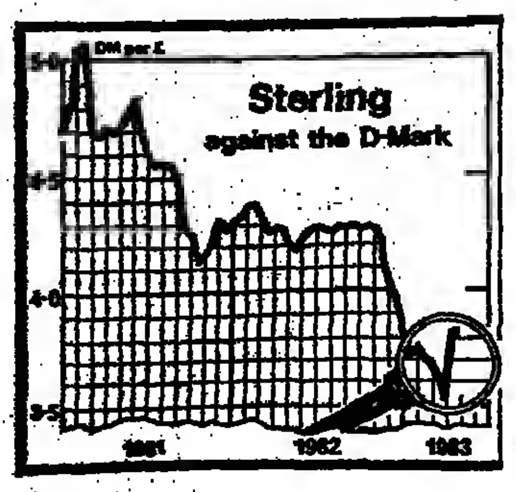
There are four genuine schools of thought about what to do.

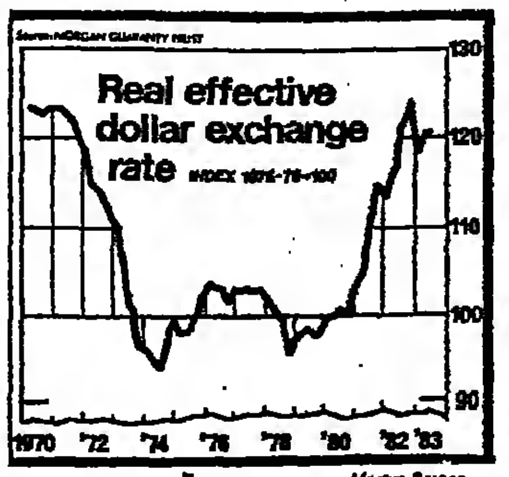
1—The first maintains that governments and central banks should forget about financial variables, and even about inflation, and concentrate on boosting the real economy. So far from this being a far-out or "left-wing" view, one can hear it from some German bankers and British businessmen to the accompaniment of profound observations, such as "What industry needs is orders." Or, as Roger Opie, the Oxford economist, writes: "Policy makers should disregard The Times and Financial Times which have become "daily news-sheets on behalf of monetarism."

2—The second view is that top priority should be given to keeping real interest rates down. This seems to be the underlying thought of Rimmer de Vries in Morgan Guaranty's World Financial Markets, together with many subtleties and other observations. Members of this school want to reduce the U.S. budget deficit, but in the here and now they emphasise monetary relaxation by central banks.

3—The third view is that the exchange rate should guide central bankers on when to ease up and when to restrain. The overvaluation of the dollar is regarded as a legitimate reason for the Fed to bring nominal interest rates down further, even if it means continuing to override the monetary targets. The alternative corrective of more monetary restraint by, for instance, Germany and Japan, is ruled out because of the still depressed levels of world activity and the low rate of inflation in key countries. The OECD has just reported the lowest yearly inflation rate since 1973. For the seven main members the yearly rate is down to 4.8 per cent; and over the last six months it is down to an annualised 2.6 per cent.

The main exponent of this approach is Professor Ronald McKinnon of Stanford. Extended to the UK, it would mean that interest rates should go down as much as necessary to prevent sterling from appreciating further. The chart shows that the pound has started to rise in an unhealthy way against the German mark after having come down from totally absurd levels. For the time being it is the monetary aggregates rather than the exchange rate that should give.





Martyn Barnes

4—The fourth approach is almost the opposite. It maintains that the Fed's disregard of its monetary targets since last autumn threatens a new inflation, that the U.S. should get back to its monetary path and that the British authorities should adhere to theirs even if the exchange rate shoots up or down. Moderate exponents of this view include Gordon Pepper of Greenwell's and the London Business School—the latter is also worried that the last British Budget contained some concealed fiscal relaxation.

The first school of thought, which would try to expand the real economy and let the devil take the hindmost, seems to me to have ignored, or drawn the wrong lessons from, the experiences of the past 15 years. We must agree to differ.

The second school, which emphasises real interest rates, has a point to the extent that it stresses the real influences behind interest rates. If the U.S., as the largest economy in the world, is running a government deficit equal to the greater part of its net national savings, there is of course an upward influence on interest rates worldwide and also on the dollar exchange rate. Where the school goes astray is in exaggerating what central banks can do to bring real interest rates down in the absence of corrective fiscal action.

Indeed, outside the UK gilts market where inflation-proofed securities yield just under 2½ per cent, it is impossible to say what the real interest rate is. For it is arrived at by deducting from the nominal interest rate the expected inflation rate; and the latter exists "in the mind." It is not one number but a probability range; and the nominal interest rate incorporates a risk premium against the possibility of the actual inflation rate differing from the central estimate. A survey of U.S. financial officers showed that their average inflation expectation for 1982-87 was 6 per cent; but this was hedged by the view that a take-off into hyper-inflation had a one-third probability.

It is therefore easy to accept Meltzer's estimate that the risk premium in U.S. short-term interest rates has risen by 3½ per cent since 1979. But it is more difficult to believe that this premium is due to the short-term volatility of monetary growth. The financial officers surveyed believed overwhelmingly that the main reason for high interest rates was the budget deficit or fear of inflation itself.

The most convincing school in the present world conjuncture is the third which argues for exchange rate objectives. These objectives are to be sought not by central bank intervention in the foreign exchange market but by varying short-term nominal interest rates—mainly in McKinnon's view by downward variations by countries which have strong exchange rates such as the U.S.—and intermittently—the UK.

There is, however, a major problem about exchange rate targets. If all major countries have a target either against the dollar or against the trade-weighted average, and the U.S. has a domestic monetary objective of whatever kind, the system can work. But if the U.S. has an exchange rate objective too, then international co-ordination is required to prevent inconsistent policy goals. Even if the required co-ordination can be achieved—if Germany and Japan can agree to accept dollar depreciation, which they might in the context of falling U.S. interest rates—a problem remains. Exchange rates can be stable at high, low or volatile rates of inflation—or of deflation. For exchange rates simply relate prices and costs in one economy to another. The average world inflation rate is left without an anchor.

Somewhere there must be a target for inflation itself or the money supply or "monetary demand," that is money times velocity. Such essentially internal objectives can be maintained by one or more economic centres, such as the U.S. and Germany, around which other countries can cluster; or there can be joint objectives for the four or five main economic powers. That is the element of truth behind the fourth school of thought which emphasises domestic monetary objectives.

But it seems to me perverse to throw overboard all the evidence about the instability and unpredictability of the demand to hold different kinds of money, whichever of the many definitions is used. It is also perverse to ignore the *prima facie* evidence that some of the surprise shifts in velocity have been due to changes in the *international* desire to hold assets denominated in alternative currencies, such as dollars, marks, sterling or yen.

A practical application of these remarks is shown in the table. It can be seen that worldwide official monetary targets are sufficient to finance a moderate international recovery on the three assumptions: (e) that the upper end of the target ranges is achieved; (b) that inflation stays at comparatively low levels; and (c) that velocity either stops falling or falls less quickly than in 1982.

Common sense suggests that the monetary objectives should be subject to two "overrides." First, if exchange rates move outside certain accepted ranges, the money supply objectives should be set aside for the time being so that interest rates can be used to influence exchange rates. Ultimately the process would be symmetrical, with overshooting of monetary objectives by some countries being balanced by undershooting by others. But McKinnon's case for not requiring monetary undershooting in the present state of the world economy is fairly convincing.

Secondly, the monetary objectives should be adjusted if it looks as if velocity is moving in unexpected ways for domestic reasons. I do not believe, any more than the pure monetarists do, that central bankers are very good at forecasting velocity. But at least they can estimate what velocity has done in the recent past and make an intelligent guess about what it is doing at present. Indeed, such an exercise is one way of making intelligible the phrase "taking all indicators into account."

Thus there is plenty of scope for an international Medium Term Financial Strategy at which Sir Geoffrey Howe sometimes hints and on which an initiative ought to be taken at the forthcoming international economic summit in Williamsburg, Virginia.

But it will require finance ministers and their advisers to do some hard thinking and not just to say: "Everybody agrees with me. Why doesn't everyone copy my policies?"

MONETARY TARGETS AND INCOME GROWTH IN 1983

% change per annum

	Target aggregate	Target rate of monetary growth*	Projected % change: Real GNP	GNP deflator	Nominal GNP	Implied change in velocity: 1983	1982
U.S.	M1	8.8	2.6	4.4	7.0	−1.8	−2.4
	M2	9.0	2.6	4.4	7.0	−2.0	−2.4
Japan	M2 + CD	7.5	3.2	1.6	4.9	−2.6	−4.1
Germany	Central Bank Money	6.5	0.9	3.6	4.5	−2.0	−1.6
France	M2	9.0	6.0	10.2	10.2	1.0	−0.3
UK	£M3	9.2	2.5	6.5	9.2	0.0	−3.8

* Computed at upper end of target range: standardised to yield approximate calendar-year average growth rates.
Source: Morgan Guaranty.

Lombard

Mixed pedigrees in Bond Street

By John Plender

THE CLASS struggle has been fought with renowed bitterness these past few weeks. Not, you understand, on the production line at Cowley, but in Bond Street, home of fine art euctioneers Sotheby Parke Bernet. The thing smacks more of Gilbert and Sullivan than centenary vintage Marx; but the sociological implications are no less interesting for that.

Villains of the piece are Mr Marshall Cogan and Mr Stephen Swid, American felt manufacturers and furniture makers, who have had the temerity to bid for Sotheby's while it is down on its luck. Both are self-confessed members of the lower middle classes and—oh dear—apparently unashamed of it.

On the other side are a distinguished board and a staff of aesthetes, many of whom are deeply opposed to the bid. The air is thick with horror stories about how this great British institution might end up selling its name to promote furniture or cigarettes (never, say the Americans). Expert staff want to leave if the bid succeeds—though it is unclear whether others could or would take them all at their own estimation. And group chief executive Mr Graham Llewellyn has reportedly threatened to blow his brains out if (perish the thought) the Americans win the day.

In the midst of the battle it does no harm to ask just who is getting ideas ebove their station. The past decade at Sotheby's has, after all, been marked by a plunge into real estate and junk sales in the U.S. In Britain we have had what the staff coyly call sales of rock and roll memorabilia. And not so long before, the company lent its name to W. D. & H. O. Wills, no less, for a brand of cigarettes—which, as it happened, was soon withdrawn.

Then there were the potential conflicts of interest. Remember all the criticism over Sotheby's willingness to provide investment advice to the British Rail pension fund, which conveniently emerged as a buyer and under-bidder at auction when prices were vulnerable in the last recession? Eyebrows also twitched et Sotheby's readiness to ect as both principal and agent in the art market.

It could, moreover, be argued that there was a certain ungraciousness in directors reducing their shareholdings in Sotheby's when the going was good and then complaining that Americans had snapped them up when the business ran into management trouble and big losses.

To cap it all the Takeover Panel does not appear to trust Mr Llewellyn to keep his word and stand by his flintlocks: it told him last week not to say things he didn't mean. (Or was this a challenge?)

The audience reaction to this soap opera has been mixed. With experience of august but luckless employers of their own, some gentlemen of the press have shown scepticism about the "great British institution" defence. Others in and out of the City have wondered why the British really have to dress up their business with so much class-ridden nonsense. Under the chairmanship of Mr Peter Wilson, Sotheby's was one of Britain's most dynamic enterprises. Why not be an unabashed professional and proud of it?

One riposte could be that the upper-class nonsense was good marketing. Half or more of Sotheby's shares are now thought to be in American hands—perhaps they swallowed the propaganda. And there is consolation in Sotheby's misfortune. For much of the 1970s the art market prospered in inverse relation to the health of the world economy. For the British it offered an international hedge against inflation, with no exchange control constraint, while orthodox capital markets functioned badly.

The fact that so many paying British members of the audience have left before the curtain is thus bullish for disinflation. And the Americans can be relied on to tell us the dénouement. Will a new true British bidder save the day? Or will poor Mr Llewellyn be forced to do the decent thing?

Letters to the Editor

Three bad proposals in the data protection Bill

From Mr P. Carter-Ruck

Sir,—I have read with interest (April 7) the article by Mr Hermann, your Legal Correspondent, "Three cases of derailed legislation" with particular reference to the Data Protection Bill which has now passed its second reading.

The Law Society has already expressed its concern about a number of aspects of this Bill and, indeed, the Data Protection Committee set up by the Law Reform Committee of the Law Society has endorsed the concern expressed by Clive Rumbelow, chairman of the International Bar Association's Committee on Computer Law.

As your Legal Correspondent rightly states, it is very doubtful that the European Convention, on which the Bill purports to be based, was intended to apply to ordinary business processing of information. In my opinion, this proposed legislation is thoroughly bad in three respects.

It will encourage those who maintain records to turn away from modern computer technology (which should be encouraged) and revert to, or continue with, manual record systems, which are not caught by the proposed Bill.

It threatens, in its present form, to embrace ordinary business processing of information, as your Legal Correspondent states, right down to customers' addresses, solicitors' files and medical records.

At a time when most private businessmen and, apparently, the Government are most concerned to restrict the spread of bureaucracy, it threatens to set up yet another new government organisation, which it is estimated, even on inception estimates, will cost £13m a year and introduce a whole new series of form-filling operations calculated further to harass private business and private industry.

Peter F. Carter-Ruck,
Essex House,
Essex Street,
Strand, WC2.

A watchdog for state industry

From Mr Edmund Dell

Sir,—You say (Editorial, April 19) that the St John Stevas Bill "makes the Comptroller (and Auditor General) an officer of the House of Commons and thus clearly independent of the Treasury."

As a former chairman of the Public Accounts Committee, I wish I could share your confidence in this proposed reform. In practice the position of C and AG has always, in my experience, been one of complete independence. Nevertheless I accept that in a reform of the auditing structure it is appropriate to remove any suspicion of executive pressure by taking the Exchequer and Audit Department outside the Civil Service and by changing the method of appointment of the C and AG.

It is, however, entirely wrong in principle that the C and AG should become an officer of the House of Commons. Whatever independence of government the House of Commons may have shown in recent years, its principal function remains to sustain the Government of the day. By making the C and AG an officer of the House of Commons, the St John Stevas Bill tends to undermine his independence rather than to reinforce it.

The House of Commons has, of course, a role in the control of public expenditure. But the audit function is different and requires absolute independence in the auditor. That no doubt is why the C and AG has always reported independently and has never been a servant even of the Public Accounts Committee which, whatever its merits, does contain a government majority.

It may be thought in practice inconceivable that the House of Commons would ever dare to interfere with an enquiry which the C and AG wished to make or to publish. But this is a question of principle in what is intended to be a major reform of the auditing system. In such a reform the C and AG should be given a status of essured independence, independent of the House of Commons as well as of the executive. There are many ways in which this could be done.

Edmund Dell.
4, Reynolds Close, NW11.

Give bodies a wide berth

From Mr P. de Brant

Sir,—I read with a jaundiced eye the article by Feona McEwan on April 14. For one who travels a lot by air, no amount of humorous advertising by clever advertising agents is going to change the often off-hand and poor services received by travellers on British Airways flights. Mr Jim Harris, the British Airways new marketing head, referring to passengers as "bodies" is highly revealing of the company's attitude. Greater ettention to service and less "to face" must be the best form of advertising.

Peter de Brant,
de Brant, Joyce & Partners.
29 Bedford Square, WC1.

A new selling proposition

From Mr P. Ryan

Sir,—Heading for Heathrow in Swissair comfort I turned to the piece (April 15) by Feona McEwan on advertising.

I am sure Saatchi and Saatchi recognises that with its theme for British Airways "The world's favourite airline" there emerges an advertising principle which is going to ease many a desperate ad-man off his Velium.

For dear, dead, departed USP (unique selling proposition) now read UMP! Strategies and slogans built on UMP — ubiquity means popularity — will shore up presentation after presentation. The British Tourist Authority must already be dancing with delight at the prospect of — you've guessed it — "Rain, Britain's favourite weather."

If only big and broad-scale were always beautiful and best! As for this regular air traveller, patriotic in most respects, BA will become my fevourite airline when it injects some quality into the quantity.

Peter Ryan,
Langham Cottage,
Riverside,
Twickenham, Middx

It began with pigeons

From Mr G. Schmerling

Sir,—Baron Reuter (Man in the News, April 16) was one of the great 19th century pioneers but not "an aristocrat." He was born Israel Josaphat and ennobled 1871.

G. Schmerling,
20, Bishops Close,
Old Coulsdon, Surrey

Tax and the black economy

From Mrs A. Baboulene

Sir,—Mr Hummel's comments (April 18) on Mr Kinnear's proposals to make individual *employment of labour* tax deductible are interesting, but he is mistaken on one important point.

He asserts that "the increase in the Government's tax take resulting from tapping the black economy would very probably more than compensate for the loss in revenue from granting the tax relief." The losses in tax take, even supposing the system to work faultlessly, would be very large.

At present an individual employing private labour does so out of taxed income—individuals too poor to pay tax cannot usually afford to employ labour. Such employees would in many cases—such as the charwoman eligible for wife's earned income allowance and the gardner on age allowance—earn too little to attract tax at all.

Even where employees earn sufficient to be taxed at 30 per cent, their personal allowances (soon to be about £53 a week in the case of a married man) which they are entitled to earn before tax, would alona ensure that the proposed system produces less tax than the present system which, in theory, pretaxes all their earnings, no matter how small, at 30 per cent or more.

I suggest that this may be the reason why politicians of all parties are reluctant to "give it a try."

Mrs Andrey A. F. Baboulene
BLB Consultants,
10 Richmond Ave., S.W.20.

Pullshift paffles people

From A. Prist

Sir,—With reference to the Jaul Pennings item "Have prain, can brocess" (April 18), we PRISTS (PRocessing and Inspiration Systems for Typists) think that what he bad to say is a load of pollacks ("n. sea-fish allied to cod"—Little Oxfoot Pictionary).

It is no good his saying "What I do not accept is that any damn machine is going to replace Kingsley Amis, or George Steiner, or me . . ." (who they?): we PRISTs have already started, having infiltrated the ranks of not only writers, but also other "communicators" as we call them, such as politicians, civil servants and so-called breakfast TV staff. Any day now, some of them will be declaring themselves ("typing out," we call it).

So let not Pennings continue these futile thoughts, lest the *Curse of Turing* descend on him.

A. Digital-Computer
(aka Dr Stephen Castell).
20 Grange Road,
Wickham Bishops,
Witham, Essex.

FINANCIAL TIMES

Thursday April 21 1983

SOCIALISTS AND REPUBLICANS PRESS FOR EARLY POLL

Election fever builds in Italy

BY RUPERT CORNWELL IN ROME

ITALY is suddenly facing the possibility – many would argue the probability – of general elections a year before they are due, on the same day as an important round of regional elections scheduled for June 26.

The new political turbulence, which threatens to sweep away the coalition Government of Sig Amintore Fanfani, has crept up, little noticed, since Easter. So strong has it now become, however, that the main topic of debate is whether it is technically possible for Parliament to be dissolved by May 11, the deadline if the June 26 date for combined elections is to be met.

The parties most visibly pressing for early elections are the Republicans and, above all, the Socialists, without whose blessing no Government, excluding a direct alliance between the Christian Democrats and opposition Communists, can be formed. But there are signs that the two last-named parties, as well as the smaller Social Democrats and Liberals, are less averse to the idea of elections this summer than their public protests would suggest.

Hectic consultations continued yesterday between the various party leaders. But the firmest indication is likely to come from the Socialists, whose central committee meets tomorrow and Saturday. Many observers believe that the party will decide to withdraw its ministers from the Government, thus automatically provoking its downfall.

The likelihood that this parliament would end before its constitutional expiry in June 1984 has existed ever since the inconclusive 1979 general election. But talk of early elections had grown less since the 75-year-old Sig Fanfani became Prime Minister for the fifth time, last December.

His administration has been noticeably less quarrelsome than its predecessors. It also has some valuable achievements to its credit during its short term in office, notably the agreement last January between both sides of industry to modify Italy's system of wage indexation.

However, the underlying suspicions between the Christian Democrats and Socialists – partners in the four-party coalition – have persisted. Pressed by the less compromising Christian Democrat leader, Sig Ciriaco de Mita, the Socialists have responded with new overtures to the Communists as proof of their own independence.

But despite the speculation, early elections – in June, at least – are still far from certain. A big unknown is the attitude of President Sandro Pertini, to whom the decision falls to dissolve parliament. Previously, Sig Pertini has not concealed his hostility to such a move. But even if his opposition softens, the political parties will have to move quickly if the date of May 11, the last which will permit the campaign to run a constitutional minimum of 45 days, is to be met.

Even if Sig Fanfani falls early next week, the head of state may ask either him or another politician to make a final effort to form a Government and ward off the elections, at which the Socialists are still confident of showing a considerable improvement on the 10 per cent of the vote they won in 1979.

● A woman has been elected mayor of Palermo, the male and Mafia-dominated capital of Sicily, Reuter reports. Sra Elda Pucci, a 55-year-old Christian Democrat and paediatrician, won the vote narrowly to become the first woman to govern a large Italian city.

The city, with a population of 800,000, has been racked by a wave of Mafia crime as rival clans fight for control of the heroin trade. Last week, 12 people were shot dead in the city and elsewhere in Sicily in a 24-hour period.

Paris set to lift defence spending

By David Housego in Paris

FRENCH defence spending is to rise by an average of 2 per cent a year in real terms over the next five years as part of a long-term plan in which savings through manpower cuts are offset by increases in equipment expenditure.

The plan, approved by the cabinet yesterday, gives first priority to strengthening France's nuclear deterrent. But its main innovation is to create a powerfully-armed mobile force backed by anti-tank helicopters capable of intervening early on in a European conflict. The force is envisaged as having 50,000 men with up to 430 combat helicopters by 1988. It reflects France's growing readiness to take part in a "forward battle" in the defence of West Germany and Europe.

The five-year spending programme, over which there had been agonising debate within the administration because of the overall squeeze on expenditure during a period of low growth, provides for a seventh nuclear submarine; a nuclear-powered aircraft carrier to replace the Clemenceau; three additional nuclear-powered attack submarines; and the development of the Hades tactical nuclear missile. This weapon, due to come into service in 1982 as a replacement for the Pluto, will have a range of 350 km enabling it to reach Warsaw Pact countries from France.

Manpower is to be cut by 35,000 throughout the services over the period. The bulk of this falls on the army, whose strength will be cut by 7 per cent from the 312,000 today. Savings from this are to help finance the new mobile force and the modernisation of the French First Army, which is stationed largely in West Germany.

The anticipated annual 2 per cent growth in real terms allowed for in the budget is below the Nato 3 per cent target but in line with the recent trend in French defence spending. If attained, it will represent a major cost to the currently strained economy.

Overall, the budget provides for defence expenditures over the period of FFr 830bn ($112.8bn) at current prices. In constant 1983 prices this represents FFr 705bn on the conservative assumption of an average inflation rate of about 6 per cent a year.

The plan is nonetheless expected to come under sharp attack from the opposition as failing to provide adequate funds to strengthen the armed forces at a time of growing East-West tensions. Indicative of this was the almost unprecedented resignation in March of General Jean Delaunay, the army chief-of staff, in protest at cuts in spending on the army and in the priority given to conventional over nuclear forces.

The armed forces complained bitterly last year that military credits authorised in the budget were subsequently frozen. Because of the austerity package this year defence spending is expected to rise by no more than 1 per cent to FFr 133bn in real terms. The French armed forces are widely believed to be under-equipped and suffering from delays in the delivery of equipment under earlier programmes.

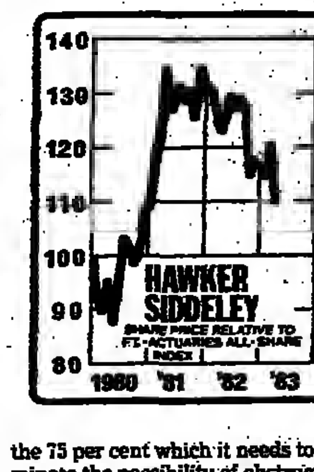
THE LEX COLUMN

U.S. banks step out together

First-quarter results from the U.S. banks have relieved some of the anxiety about the effect of deregulation on the industry's funding costs, though directors of the Midland Bank may be forgiven for wanting to duck any mass celebrations. Crocker National is not the only bank to have incurred lower earnings, though it is one of very few. But its 10.5 per cent decline is the largest yet reported by any of the industry's leaders and has been directly attributed by management to exactly the rise in interest costs widely anticipated as a future problem in the face of an end to ceiling deposit rates – Crocker's shares at around $31 are still less than half the average $68½ paid by Midland for its majority stake.

Elsewhere, first-quarter earnings have generally shown strong gains and bank shares on Wall Street have stayed well ahead of the market even over a record-breaking fortnight for the Dow Jones industrials. Worries about the retail funding base of the regional banks – as well as their swollen non-performing portfolios – effectively wiped out most of their five-year premium in the marketplace over the money-centre banks by the close of 1982 and the advance since then has been broadly based. Most shares in the sector have now clambered up to lofty p/e ratios of 6 or 7.

The rapid decline in wholesale money rates over the last year, however, has rather disguised the impact of deregulation in the first quarter. Investors in regional bank shares will need to be more selective in future as deregulation favours those banks less accustomed to a cosseted environment: this as well as their oil and gas exposure has probably contributed to the relatively poor showing of the Texan banks so far this year. The money-centre banks, meanwhile, have held their bad-debt provisions level with those of the December quarter and can hope to see the average discount of their shares to asset value, now at 13 per cent, dwindle further.



UDS

Yesterday the curtain seemed poised to fall on the long-running UDS drama. Hanson Trust's insistence that it would not increase its existing terms should leave it in a position to declare its offer unconditional soon after the closing on Friday afternoon. Bassishaw's stake is unlikely to reach more than about 15 per cent, so by next week Hanson should have obtained at least the 75 per cent which it needs to eliminate the possibility of obstructive EGM voting by the Bassishaw camp.

Almost all shareholders can be expected to accept the Hanson paper offer, which last night was worth nearly 6p per share more than the cash terms. The recommendation by the majority of the UDS board of Bassishaw's offer has failed to carry much conviction – or even consistency – and can quite properly be rejected.

The UDS executive have attempted to extract from Hanson assurances which it is not reasonable to expect any bidder to offer without a detailed knowledge of the inner workings of a business. An undue emphasis on employees' prospects would only tend to encourage in future takeovers exaggerated promises which, a few months later, might be quietly disregarded.

It would be surprising if Bassishaw retained its investment in UDS for long. The institutional investors in the consortium will find it hard to justify to their trustees a locked-up holding offering no income, and Mr Gerald Ronson may prefer to apply the substantial profits on this operation to his next venture.

Hawker Siddeley

Hawker Siddeley is in a no man's land between recessionary squeeze and recovery – an uncomfortable position reflected in the middle-ground rating of the shares. Last year the group was still battening down the hatches, with cash management the key defensive strategy in response to continued poor markets. The cash inflow has amounted to £34.1m, enough to reduce interest payments by £4.7m. This has recouped half the squeeze on trading profits, leaving the pre-tax outcome £4.9m lower at £116.2m.

The main squeeze on the trading front has been in mechanical engineering, where trading profits have fallen by 15 per cent to £54m. It looks as if sales and margins of lighter diesels have been hard hit in the UK as well as the U.S. However, this is one of the few areas in which the company is seeing a flicker of returning demand.

The bulk of the company's business is in the heavy capital goods sector, which, as Hawker declares, the economic upturn will "take a little longer to reach." The company has now been on a profits plateau for five years – albeit one at which it has been producing a decent return on capital and generating cash. Given the aggressive rationalisation and strong product lines of the group, recovery, when it comes, should generate strong profits growth. The shares rose 10p yesterday to 382p, where the p/e is about 15, fully-taxed.

Minet

The St. Paul Companies' purchase of a further 5 per cent stake in Minet Holdings sets Lloyd's a conundrum. A large American insurer may have designs on a Lloyd's broker which could create further conflicts of interest within the Lloyd's market. Lloyd's brokers are required by law to sever their links with management companies of insurance syndicates within the Lloyd's market because of conflicts of interest. So should an insurer own a broker?

There are other areas where this is likely to be a test case. All outside insurance interests buying shares in Lloyd's broking firms or other companies have to limit their shareholding to 20 to 25 per cent unless they are prepared to give undertakings about observing Lloyd's procedures. Lloyd's has allowed outside brokers to take over other Lloyd's brokers following receipt of undertakings. It may not be so relaxed now that major U.S. insurer has built up a substantial holding in a broker. St Paul has yet to find out.

BTR/Tilling

In yesterday's column it was reported that BTR was buying Thomas Tilling shares in the market at prices around 5p above its 185p cash offer. In fact, BTR was buying at 189.5p, which, allowing for a 4.5p final dividend, is equivalent to the formal cash offer.

U.S. judges back ban on N-plants

By Reginald Dale in Washington

THE U.S. SUPREME Court yesterday dealt a major blow to the nuclear industry by unanimously upholding a California ban on new nuclear plants until a safe method is found for storing dangerous radioactive wastes.

The industry had vigorously contested the 1976 California law, similar to regulations that have been adopted in seven other states, on the grounds that the state-imposed restraints conflicted with Federal authority. The industry feared that a ruling in favour of the states would bring already dwindling nuclear plant construction to a virtual standstill until the storage problem is solved.

Federal authorities have looked at a number of possible repositories for radioactive waste, including underground salt mines, but have yet to approve a safe storage method. The California law was challenged by two major Western energy companies, Pacific Gas and Electricity and Southern California Edison.

The court, however, sided with the states in upholding a Federal appeals court ruling that California's moratorium was not designed to provide against radiation hazards, but was adopted because nuclear power may be an uneconomical and uncertain source of energy.

The justices held that, while the Federal Government has complete control over safety aspects of nuclear power, States have "traditional authority over the need for additional generating capacity, the type of generating facilities to be licensed, land use, rate-making, and the like."

The decision came just one day after the court had issued a ruling favouring the nuclear industry, in which it said that the Government is not required to consider psychological stress on local residents in approving the opening of nuclear power plants.

Nigeria seeks $2bn loan to meet trade debt backlog

BY MARGARET HUGHES AND QUENTIN PEEL IN LONDON

PRESIDENT Shehu Shagari of Nigeria has confirmed that his government is seeking to borrow up to $2bn from international banks to help pay off its backlog of trade debts.

Attempts to put a loan together have, however, run into trouble over proposals that Nigeria's estimated $5bn short-term debt arrears should be met in part by banks converting their arrears into a formal loan.

Several French and British banks heavily involved in Nigerian trade finance yesterday attended a meeting convened by Barclays Bank International in London, but the leading U.S., Swiss and German banks were not present.

The latter group is understood to feel that the problem of Nigeria's short-term arrears and balance of payments deficit, brought on by the slump in its oil production over the past two years, is best met by a regular medium-term Euroloan, rather than being directly linked to the arrears.

Under the original loan proposal, each bank with outstanding trade debts was being asked to lend pro rata to its existing exposure.

At a meeting last week, also convened by Barclays and attended by all 19 of the country's leading creditor banks, a variety of proposals for loans of different terms was opposed by the dissident banks

"We have no real objection to a loan, provided we know what the numbers are," one U.S. banker said yesterday. "We want the opportunity to find out what the extent of the problem is. We do not agree with converting existing short-term debt into a medium-term loan."

The same banks argue that any loan agreement should await the report of a visit by the International Monetary Fund (IMF) to Nigeria earlier this month.

The British and French banks – which include Standard Chartered, Banque Nationale de Paris and Société Générale as well as Barclays – are anxious to resolve the problem of arrears as quickly as possible.

One of the biggest problems facing bankers has been establishing accurate figures both on the extent of the arrears and Nigeria's balance of payments deficit. Commercial bankers in Lagos maintain that the arrears owing both to themselves and directly to trading companies total at least $5bn, while the Central Bank of Nigeria puts the figure at only $2bn.

Suez seeks FFr 300m

BY DAVID MARSH IN PARIS

COMPAGNIE Financière de Suez, the French state-owned financial and industrial holding company, suffered a sharp drop in net profits last year, and has called for government funds to carry out a FFr 300m ($40.7m) capital increase.

"Important" provisions were behind the profits decline to FFr 249.8m in 1982 from FFr 338.5m in 1981. The provisions, which Suez would not quantify yesterday, are believed to result mainly from increased risks faced by property companies in the group's portfolio of shareholdings, as well as from tax due on holdings of bonds.

The Suez group has been at the centre of a string of important financial and industrial operations masterminded by the Government to plug banking losses and restructure industry.

Yesterday's results were the third indication this month that recession and increased lending risks had hit profits throughout the largely nationalised banking system.

Crédit Lyonnais announced sharply lower profits due to a threefold jump in foreign lending provisions, while Crédit du Nord, the retail deposit bank, registered a loss last year as a result of difficulties with its property subsidiary Ribourel.

M Jean Peyrelevade, one of the chief advisers of M Pierre Mauroy, the Prime Minister, has just taken over the chairmanship of Suez from M Georges Plescoff.

The group yesterday gave no reason for the increase in share capital to FFr 1.72bn, which has taken Suez's total capital funds to FFr 5.28bn. The increase was subscribed not through a budgetary injection from the state but through the conversion into shares of convertible Suez bonds held by the Government

But it seems certain that the extra funds were needed to help Suez carry out the range of restructuring operations it has been assigned by the Government.

Soviets unlikely to act on Paris 'spy' expulsions

By Our Foreign Staff

THE SOVIET UNION is unlikely to retaliate against France for expelling 47 Russians from Paris earlier this month and appears eager to calm its row with France over the affair, according to Western diplomats in Moscow.

France ordered out the diplomats and officials on April 5, saying they had been engaged in military and technological espionage. Moscow angrily denied the charge

First signs that the Kremlin had decided to treat the French action differently appeared last week, when the media began publishing letters from prominent citizens describing the expulsions as shameful.

It is the first time the Soviet media have publicised such an incident in this way

The press has now stopped publishing the indignant protests

Austrian political scene gets a tinge of green

Continued from Page 1

Some quirks of the Austrian system of proportional representation will decide how that would be reflected in the composition of the new Lower House. (The Upper House, which plays a subordinate role, is not up for re-election.)

No party will get into the new House unless it receives a minimum quota of the votes in at least one of the nine regions. That quota varies from region to region within a hand of 25,000 to 30,000 votes. Any party receiving this minimum support, even if it is in one region alone, automatically receives extra seats in proportion to its full national vote.

In practice, the system discriminates against splinter parties that fail to qualify for the national share-out, but favours small parties that do qualify. The system was devised in 1970 when Dr Kreisky headed a minority government dependent upon the liberals for tactical support, and was designed to help them to perform well.

The showing of both sorts of Greens is going to be crucial under this system. Votes cast for parties that do not make it into the House are left out of the count in the final reckoning and therefore reduce the number of votes required to gain an absolute majority. If the Red and the Black Greens both fail to make it. Dr Kreisky and the Socialists will have a fair chance of retaining their absolute majority. If one or both Green groups get in, that majority is in peril. The odds are that at least the Black Greens will get into the new House besides the Socialists the People's Party and the Liberals.

What would happen then? Dr Kreisky has hinted that he might be ready to try his hand at a minority government with backing from the Liberals, but Dr Norbert Steger, the Liberal leader, has rejected that idea. Dr Kreisky has rejected a return to the "Grand Coalition" with the People's Party, which ruled Austria from 1947 until 1966 – a plan supported by many in the People's Party who see it as their best chance of returning to power.

Dr Kreisky argues that it would be hard to make such a coalitoin and that it would look like a politicians' conspiracy to perpetuate a cosy, well paid and occasionally corrupt world of consensus politics.

At this stage,, the shape of the next government cannot be predicted, but two points should be made. First though Dr Kreisky may form the next Cabinet his fifth since 1970, his era is approaching its end probably gradually rather than suddenly.

Second, in spite of the campaign rhetoric, strong forces in both big parties wish to maintain the established system of social consensus. The institutions in which employers and unions arrive at the consensus are not uncontroversial.

Delors attacks U.S. over strong dollar

Continued from Page 1

concerted foreign exchange intervention, commissioned after last year's Varsailles summit, had sparked off interest from the Americans in December when they feared the dollar might drop.

Now that the dollar was rising again, he complained, "the Americans do not want to bear anything more of the report."

The study, commissioned following pressure from the French for more active U.S. intervention, is due to be presented to a meeting of Finance Ministers in Washington at the end of the month. It is believed to favour a supporting role for intervention

At the forthcoming summit in Williamsburg, M Delors said Europe would have to show that the American attituda to the dollar was unacceptable. Pointing out that the U.S. was keen to take on the mantle of Western leader, he said: "If one wants to organise the world, one has to face up to the responsibilities that come with it."

Jeremy Stone in London adds: The Bundesbank intervened heavily to hold back the dollar's rise yesterday, as funds continued to flow out of the D-Mark into the dollar and sterling.

The Bundesbank sold $67.2m in the Frankfurt fixing, the largest amount since October 1981, and dealers thought that its dollar sales outside the fixing could have been twice that amount.

World Weather

		C	F			C	F			C	F			C	F
Ajaccio	R	18	64	Dubrovnik	R	20	68	Malaga	F	19	66	Salzburg	F	19	66
Akrotiri	F	18	64	Faro	C	15	59	Malta	S	20	68	Seoul	S	20	68
Algiers	S	28	82	Florence	S	22	73	Manila	S	35	95	Singapore	S	35	95
Amsterdam	F	12	54	Frankfurt	F	15	59	Miami	C	26	79	Stockholm	R	11	52
Athens	R	19	66	Funchal	F	17	63	Milan	F	17	63	Strasbourg	R	18	64
Bahrain	S	29	84	Geneva	F	12	54	Moscow	C	15	59	Sydney	R	22	72
Bangkok	S	34	93	Gibraltar	R	15	59	Munich	S	17	63	Taipei	S	30	68
Barcelona	C	14	57	Guernsey	R	6	43	Nairobi	F	26	79	Tangier	R	15	59
Beirut	S	17	63	Helsinki	C	8	46	Naples	R	24	75	Tehran	—	—	—
Belgrade	S	23	73	H. Kong	S	28	82	New Delhi	S	29	84	Tel Aviv		—	—
Berlin	F	12	54	Innsbruck	S	19	66	New York	R	6	43	Tenerife	C	18	64
Biarritz	F	15	59	Inverness	F	6	43	Nice	F	17	63	Tokyo	C	24	75
Blackpool	F	8	46	Istanbul	C	12	54	Oporto	F	12	54	Toronto	C	6	43
Bordeaux	C	16	61	Jersey	S	7	45	Oslo	R	3	37	Tunis	S	22	72
Brussels	F	15	59	Jo'burg	S	22	72	Paris	R	17	63	Valencia	F	15	59
Budapest	S	22	72	Las Palmas	C	20	68	Prague	S	16	61	Venice	S	16	61
B. Aires	C	20	68	Lima	S	29	84	Reykjavik	C	1	34	Vienna	S	28	82
Cairo	S	23	73	Lisbon	F	15	59	Rio de J'o	S	30	97	Warsaw	C	16	61
Cape Town	F	33	81	Locarno	C	13	55	Rome	R	22	72	Zurich	C	16	61
Caracas	C	23	73	London	R	8	46								
Casablanca	C	17	63	Los Angeles	S	23	73								
Copenhagen	R	6	43	Luxembourg	R	14	57								
Corfu	S	23	73	Madrid	C	10	50								
Dublin	F	8	46	Majorca	S	26	79								

Readings at mid-day yesterday

C–Cloudy D–Drizzle F–Fair Fg–Fog H–Hail R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

Brazil arrears '$700m'

BY ALAN FRIEDMAN, BANKING CORRESPONDENT, IN LONDON

BANKERS involved in Brazil's multi-billion dollar rescue package said yesterday that the country's arrears on foreign debt now total around $700m and could rise to over $1bn by July.

The $700m in arrears includes overdue payments to suppliers, interest and principal on bank loans and letters of credit. If the worldwide campaign to persuade small banks to restore $1.5bn of interbank lines to Brazil is successful, the arrears problem will then be "manageable," according to one bank member of the steering committee of 12 key banks.

Not all members of the bank steering committee are optimistic about prospects of achieving the $7.5bn goal announced after Monday's meeting in London between 16 key banks and Brazilian officials. The idea is for banks to restore $1.5bn of interbank lines in order to reach the $7.5bn total.

It emerged yesterday that U.S. regional banks accounted for the largest part of the $1.5bn shortfall – they are said to be $500m behind target. British banks have co-operated fully and are not behind at all.

French and West German banks need to provide $200m each to reach their commitment level, while Swiss banks are $150m behind

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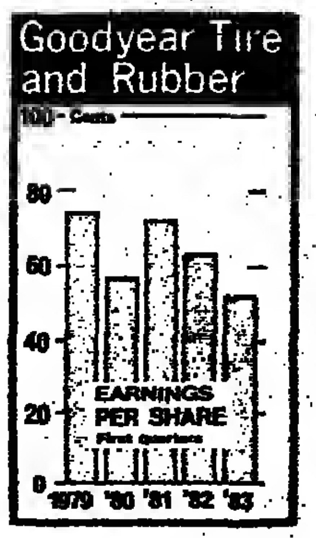

Goodyear income down

By Our New York Staff

A STEEP fall in overseas earnings has knocked Goodyear Tire and Rubber's net income back by 15.5 per cent to $38.5m, or 52 cents a share, in the first quarter. Goodyear, the world's biggest tyre maker, warned last month that net income in the three months could be down by as much as 20 per cent.

Foreign earnings in the period fell from $15.4m to $200,000 largely because of devaluations in Latin America and the strength of the U.S. dollar. Exceptions to the generally poor results overseas were the plantation operations and an improving sales performance in the UK.

In the U.S., by contrast, Goodyear's earnings jumped by 27.2 per cent to $38.3m. The company said that an improving economy was triggering increased sales of car and truck tyres in both the original equipment and replacement markets. The aerospace and chemical operations had also done well.

Worldwide sales in the quarter slipped marginally to $2.1bn.

Saab-Scania lifts sales

By Our Financial Staff

SAAB-SCANIA, the Swedish motor and aerospace group, increased sales in the first quarter of 1983 by by 16 per cent with pre-tax profits rising "at an even higher rate," says Dr Sten Gustafsson, outgoing managing director.

He did not give any precise sales ar profit figures in a speech to the annual shareholders meeting but expected the group's 1983 results to exceed the 1982 profit before tax

Continental Illinois halves net income

BY WILLIAM HALL IN NEW YORK

FURTHER heavy losses on Continental Illinois loan participations with the failed Penn Square Bank of Oklahoma City, which ran into problems in energy lending, has led to a sharp fall in its first quarter net income, which is 83 per cent down at $31.2m.

The group's earnings were bit by a $100m provision for credit losses in the first quarter, which compares with $35m a year ago and $492m for the whole of 1982, when the bank made heavy provisions against its involvement in Penn Square originated loans and other energy lending.

The bank says net credit losses in the first quarter were $90.3m and $45.7m of this related to Penn Square loans. Net credit losses in the final quarter of last year were $106.9m and $39m related to Penn Square.

The group's non-performing loans of $2bn at the end of March are marginally up on the end 1982 figure but more than double the $844m a year ago.

Earnings per share totalled 78 cents in the latest quarter against $1.68 a year ago.

Meanwhile, Manufacturers Hanover Corporation, parent of New York's third biggest bank, continued the series of banks reporting buoyant first quarter results with a 32 per cent increase in first quarter net income to $62.1m. Earnings per share rose 13.3 per ceal to $2.04.

The bank says substantial increases in net interest revenues and ather operating revenues were the main factors behiod the sharp improvement. Net interest revenues rose 19.4 per cent to $425.8m which was due to higher loan volumes and an increase in the net yield an earning assets from 2.97 per ceat a year ago to 3.32 per ceat in the latest quarter.

Loan loss provisions in the first quarter were more than doubled at $54.2m compared with a year ago but unchanged on the figure reported in the preceding and 1982 quarter.

Non-performing loans amounted to $875m at the end of March 1983 compared with $820m at the end of 1982 and $726m a year ago. Tatal assets have risen by just under 5 per cent, $59.8bn in the last year.

● BankAmerica Corporation and Wells Fargo, two af the biggest banking groups on the U.S. West Coast, reported higher first quarter profits after adjusting for non-recurring items in the comparable period of last year.

The buoyant first quarter results confirm the recent trend among both major and regional U.S. banks, where profits have moved ahead fairly strongly in the first quarter despite the need to make sharply higher loan loss provisions for international lending.

BankAmerica corporatioa, parent of the biggest bank in the U.S. reported first quarter net income of $120.3m. This compares with $149.8m in the comparable period of 1982, but this figure has been revised upwards by $31m to reflect the cumulative effect on years before 1982 of changes in the methods of accounting for investment tax credits. If these are stripped out then the group's first quarter net income is marginally higher.

BankAmerica's results have been reported after loan loss provisions of $95.5m against $80.9m in the first quarter of 1982. Meanwhile the group's non-performing loans have risea from $2.4bn at end 1982 to $2.9bn at the end of March 1983.

Wells Fargo's earnings after adjusting for non-recurring items were considerably more buoyant than those of its larger rival. Net income totalled $34.5m compared with $37.4m. The latter was inflated by non-recurring items, and after adjusting for this Wells Fargo says that its net income per share of $1.26 is 21 per cent up. Wells Fargo's net interest income rose 18 per cent to $222.1m in the first quarter, reflecting growth in earnings assets and improved interest.

Phibro-Salomon rises to $116m

BY WILLIAM HALL IN NEW YORK

PHIBRO-SALOMON, the New York based investment banking and commodity trading group, increased its net income in the first quarter by 164 per cent to $116m primarily as a result of the boom in trading on Wall Street.

The company says that the surge in earnings over the first quarter of 1982 reflects a continuation of the high level of activity in financial markets which commenced during the second half of 1982, as well as improvements in its commodities marketing operations.

The group's fully diluted earnings per share in the latest quarter total $1.54 compared with 60 cents per share in the comparable period of last year. Primary earnings per share totalled $1.68 against 65 cents per share.

Group revenue rose marginally to $6.1bn and earnings before income tax jumped from $47m in the first quarter of 1982, and $134m in the final quarter af last year, to $192m.

Philipp Brothers, a major commodity trading and marketing group, and Salomoa Brothers, the Wall Street investmeat banking firm, merged in October 1981.

In 1982, the first full year after the merger, Phibro-Salomon net income was $337m.

Philip Morris up 11% in quarter

BY OUR NEW YORK STAFF

FIRST QUARTER earnings at Philip Morris, the giant U.S. tobacco and brewing group, climbed 11 per cent to $186m. The company said that although unit sales of its cigarettes declined slightly in the U.S. – where its Marlboro brand is claimed as the number ane seller – its market share increased significantly.

Changes in Federal excise tax led to a substantial decrease in industry shipments during the quarter, Philip Morris added. But actual cigarette consumption appeared to be only modestly lower.

Philip Morris International's unit volume and consolidated operating revenues increased slightly over 1982's first quarter, although currency realignments reduced the company's international earnings. The Miller Brewing Company's revenues were down in the period, but the Seven-Up Company registered a sales gain. Total operating revenues climbed by nearly 10 per cent to $3.1bn, and earnings per share rose from $1.34 to $1.48.

BASF to cut dividend by 28%

By John Davies in Frankfurt

BASF, the West German chemical company, is cutting its divideod sharply after a drastic fall in profits last year.

The dividend is to be cut from DM 7 to DM 5 per DM 50 share. In a measure of the German chemical industry's troubles, that is the lowest dividend struck by BASF for 26 years.

Hoechst recently cut its dividend from DM 7 to DM 5.50, while Bayer is yet to announce the extent of its foreshadowed cutback.

Since BASF last struck a DM 5 dividend in 1956, it steadily boosted its payout to a peak of DM 11 in the three years of 1968 to 1970.

As the entire industry slipped deeper into recession in the last few years, BASF maintained its dividend at DM 7 in 1980 and 1981.

However, as long expected, the supervisory board confirmed plans yesterday far a dividend cut after a 21.6 per cent drop in the group's worldwide pre-tax profits to DM 1.01ba and a 23.3 per cent decline in parent company's pre-tax profits to DM 556m.

BASF said that the DM 5 dividend would mean a payout of about DM 206m, compared with DM 285m the previous year.

Professor Matthias Seefelder, BASF's chief executive, recently indicated that the German chemical industry in general was experiencing a slight upturn in business.

Securities a 'problem' for German banks

By Stewart Fleming in Frankfurt

ROBERT MEYERDING, a small private West German bank based in Hamburg, has alleged that it is baving difficulty obtaining delivery af securities from a London private bank.

Herr Claus Woelbern, the only personally liable partner of the Hamburg bank said yesterday that the West German banking authorities were aware of the situation. He refused to name the Londoa bank involved or discuss the problem in any detail.

According to West German news agency reports the Hamburg bank believes it is involved in a fraud. But it claims that it bas enough funds to cover any possible loss.

Profit slump for Oerlikon

By Our Financial Staff

OERLIKON-BÜHRLE, the Swiss armaments to footwear group, has suffered a further dramatic collapse in profits and as a result is being forced to balve its dividend.

For 1982, the group has had net profits cut to SwFr 9.5m ($4.6m) against SwFr 23.9m. Earlier this year shareholders were warned that earnings had continued to be unsatisfactory. They now learn that their dividend is being reduced to 5 per cent from the 10 per cent paid for 1981.

Profits at Oerlikon have thus fallen steeply for three years running, having peaked at SwFr 244m in 1979. In that year the company paid a dividend of 15 per cent.

In February this year, Oerlikon was at pains to poiat out that business conditions remained troubled. It said sales for 1982 had been virtually static at SwFr 4.15bn

Three major U.S. steel groups report losses

BY RICHARD LAMBERT IN NEW YORK

THREE MAJOR U.S. steel compaaies have reported losses for the first quarter of 1983. However, two af them indicated that prospects were improving for the rest of the year.

Armco's net loss in the first quarter came to 128.4m, compared with a profit of $17.7m a year earlier. Sales plunged from $1.7bn to $988m.

The group said it expected 1983 would be a difficult year. But "continued expansion af the economy could help Armco return to profitability later in the year," the group added.

Inland Steel also struck a rather more aptimistic note, it reported a first quarter loss of $20m, up from a loss af just under $19m last year, but said that operations bad improved in each successive moath of the quarter and had reached the break-even level in March.

The company also noted that the most recent quarter showed a substantial improvement over the loss of $31.5 in the fourth quarter of 1982.

Inland reported a sharp increase ia orders for sheet steel products from the auto and appliance industries, raising nrder backlos in these areas to the highest level in 20 months. Modest increases were reported for bar products, while demand for structural and plate product demand was low.

Widespread price discounting continued to burt results, Inland added. Overall sales were down from $763m to $696m.

However, Republic Steel, wbich reported a loss of $34.8m against $18.8m a year earlier, was less cheerful about the immediate outlook. It said there had been some improvement in demand during the first two months of the year – mainly from the consumer durables area.

Lockheed reports strong earnings gain

BY RICHARD LAMBERT IN NEW YORK

LOCKHEED Corporation, the aerospace group which is now largely a contractor far the U.S. Government, reported another strong earnings gain for the first quarter af 1983. Net income rose from $37.5m to $51.6m due largely to a steep fall in interest costs and an increased rate of delivery of the C-130 aircraft.

Mr Roy Anderson, chairman and chief executive, said the group delivered 10 af these aircraft in the first quarter of 1983, compared with two in the first three months of 1982. Four of this year's deliveries were originally scheduled far delivery in 1982.

Sales in the latest period rose from $1bn to $1.4bn. The U.S. Government accounted for 77 per ceat of this figure, wbile foreign governments accounted far another 20 per cent. Commercial customers represented only 3 per ceat af sales.

The funded order backlog at the end of the quarter was $6.1bn compared with $5.4ba at the end of 1982.

Total long term debt amounted to $780m, down from $884m at the start af the period.

Warner Communications in red

BY OUR NEW YORK STAFF

WARNER COMMUNICATIONS lost $18.9m in the first quarter of 1983 compared with net income last year of $77.9m. Although the filmed entertainment and recorded music divisions showed profit gains in the period, the whole group has beea put into the red by beavy losses in its Atari video games business.

Sales of the consumer electronics division fell from $421m to $329m in the three months, resulting in an operating loss of $45.6m on this side.

Slump in farm economy hits Allis-Chalmers

By Our New York Staff

ALLIS-CHALMERS, the U.S. machinery manufacturer, lost $62.4m in the first quarter of 1983, compared with a net profit af $2.5m in the same period of 1982. Sales fell by 35 per cent to $279m.

The company said that although sales declined in both the wheeled goods and process equipmeat business, the setback was mainly due to the prolonged slump in the farm economy. The company shut down its tractor production for eight weeks in the period, and combine production far 12 weeks.

Lift-truck sales remained depressed, the company added, but "our incoming factory orders in the first quarter were significantly better than in any quarter of 1982."

Earlier this month the company announced that its lenders had agreed on new financing arrangements for the company covering the next two years. Allis-Chalmers said yesterday that this represented a "major vote of confidence."

INTERNATIONAL COMPANIES and FINANCE

NORTH AMERICAN QUARTERLY RESULTS

AMERICAN CYANAMID

First quarter	1983 $	1982 $
Revenue	825.3m	845.5m
Net profits	27.2m	38.0m
Net per share	0.56	0.79

AMERICAN ELECTRIC POWER

First quarter	1983 $	1982 $
Revenue	1.06bn	1.19bn
Net profits	92.6m	121.9m
Net per share	0.54	0.75

ARCHER-DANIELS-MIDLAND

Third quarter	1982-83 $	1981-82 $
Revenue	—	—
Net profits	25.7m	27.7m
Net per share	0.33	0.36
Nine months		
Revenue	—	—
Net profits	86.6m	133.4m
Net per share	1.12	1.75

BROCKWAY

First quarter	1983 $	1982 $
Revenue	199.3m	197.9m
Net profits	5.3m	5.1m
Net per share	0.70	0.69

CAPITAL CITIES COMMUNICATIONS

First quarter	1983 $	1982 $
Revenue	170.1m	149.4m
Net profits	21.12m	18.01m
Net per share	1.58	1.37

CHAMPION INTERNATIONAL

First quarter	1983 $	1982 $
Revenue	1.0bn	905.9m
Net profits	4.26m	†17,000
Net per share	0.08	†0.06

† Loss

COLECO INDUSTRIES

First quarter	1983 $	1982 $
Revenue	180.2m	54.7m
Net profits	16.21m	4.52m
Net per share	1.01	0.29

CONTINENTAL GROUP

First quarter	1983 $	1982 $
Revenue	1.22bn	1.21bn
Net profits	26.2m	30.4m
Net per share	0.62	0.75

DANA CORPORATION

First quarter	1983 $	1982 $
Revenue	650m	655m
Net profits	17.3m	20.1m
Net per share	0.47	0.58

DIAMOND SHAMROCK

First quarter	1983 $	1982 $
Revenue	855.4m	791.1m
Net profits	4.6m	64.7m
Net per share	0.07	1.04

ENGELHARD

First quarter	1983 $	1982 $
Revenue	811.4m	435.9m
Net profits	16.21m	14.28m
Net per share	0.60	0.53

ENSERCH

First quarter	1983 $	1982 $
Revenue	991.8m	1.0bn
Net profits	43.5m	59.5m
Net per share	0.74	1.01

GOULD

First quarter	1983 $	1982 $
Revenue	390.2m	411.7m
Net profits	14.1m	19.4m
Net per share	0.32	0.44

INSILCO

First quarter	1983 $	1982 $
Revenue	155.4m	156.4m
Net profits	10.2m	6.7m
Net per share	0.63	0.41

KIMBERLY-CLARK

First quarter	1983 $	1982 $
Revenue	811m	734m
Net profits	52m	58m
Net per share	2.33	2.62

KNIGHT-RIDDER NEWSPAPERS

First quarter	1983 $	1982 $
Revenue	340.9m	304.4m
Net profits	—	—
Net per share	0.56	0.47

LOUSIANA LAND

First quarter	1983 $	1982 $
Revenue	253.3m	304.4m
Net profits	26.6m	13.5m
Net per share	0.70	0.35

MARTIN MARIETTA

First quarter	1983 $	1982 $
Revenue	801.9m	784.5m
Net profits	13.8m	15.9m
Net per share	0.60	0.44

MIDDLE SOUTH UTIL.

First quarter	1983 $	1982 $
Revenue	686m	643.3m
Net profits	62.4m	70.2m
Net per share	0.43	0.56

MORTON THIOKOL

Third quarter	1982-83 $	1981-82 $
Revenue	445.6m	221m
Net profits	23.4m	18.2m
Net per share	1.40	1.19

NORTHROP

First quarter	1983 $	1982 $
Revenue	730.2m	493.4m
Net profits	7.3m	†22.3m
Net per share	0.48	†1.48

† Loss

NORTHWEST INDUSTRIES

First quarter	1983 $	1982 $
Revenue	419.2m	794.4m
Net profits	1.4m	94.6m
Net per share	0.03	4.10

PFIZER

First quarter	1983 $	1982 $
Revenue	910.4m	818.1m
Net profits	111.2m	89.1m
Net per share	1.37	1.13

PUBLIC SERVICE E & G

First quarter	1983 $	1982 $
Revenue	1.15bn	1.14bn
Net profits	101.7m	83.3m
Net per share	0.92	0.81

RALSTON PURINA

Second quarter	1982-83 $	1981-82 $
Revenue	1.24bn	1.23bn
Net profits	64.2m	45.4m
Net per share	0.61	0.41
Six months		
Revenue	2.48bn	2.45bn
Net profits	138.7m	101.9m
Net per share	1.32	0.91

ROHM AND HAAS

First quarter	1983 $	1982 $
Revenue	462m	475.3m
Net profits	33.7m	16m
Net per share	2.61	1.24

SCOTT PAPER

First quarter	1983 $	1982 $
Revenue	567.5m	580.2m
Net profits	19.1m	18.8m
Net per share	0.41	0.41

TIMKEN

First quarter	1983 $	1982 $
Revenue	214.5m	330.5m
Net profits	†15.15m	13.8m
Net per share	—	1.24

TRANE

First quarter	1983 $	1982 $
Revenue	245.4m	193m
Net profits	5.15m	7.5m
Net per share	0.50	0.74

TRANSAMERICA

First quarter	1983 $	1982 $
Revenue	1.11bn	1.01bn
Net profits	54.2m	44.9m
Net per share	0.86	0.70

UNION CAMP

First quarter	1983 $	1982 $
Revenue	421m	372.4m
Net profits	26.8m	32.2m
Net per share	1.10	1.33

VF CORP

First quarter	1983 $	1982 $
Revenue	222.4m	174.5m
Net profits	23.2m	14.1m
Net per share	1.42	0.87

WALT DISNEY PRODUCTIONS

Second quarter	1982-83 $	1981-82 $
Revenue	315.7m	247.7m
Net profits	30m	21.6m
Net per share	0.87	0.65
Six months		
Revenue	585.9m	458.5m
Net profits	47.2m	39m
Net per share	1.39	1.19

Taiwan brings charges in false accounting campaign

BY ROBERT KING IN TAIPEI

THE TAIWAN Government has charged officials of two publicly listed companies with making false financial statements.

The move by the Securities and Exchange Commission may mark the beginning of a serious campaign by the Government to put an end to what most financial analysts say is a long-standing tradition of juggled accounting by many companies.

The inclusion of two public accountants in the charges also marks tha Commission's determination to reform the accounting profession. Many financiers here blame recent lending losses on balance sheets and financial statements which showed inflated assets and profits pictures for the companies involved.

The charges were brought against 13 officials of Yuan I Industrial Company, a textiles manufacturer, and Chung Hsin Company, a diversified conglomerate with interests in department stores and construction. The Government named past and present board chairmen, chief accountants, and board members of the two companies.

The two companies defaulted on a total of $53m in loans in late February and requested a Government rescue. Subsequent audits by Government accountants showed that Chung Hsin had claimed assets arising from a transaction which has not taken place. Overall, the company assets were overvalued by $10m, the Government said.

The Government also charges that Yuan I overvalued its inventory by about $9.4m, and that part of $3m obtained from the issue of new shares last year, which was earmarked for the purchase of equipment, was diverted to general company accounts. Another portion ended up in the personal account of the company's president, the Commission alleges.

Among the companies' creditors are several foreign and Taiwanese banks. However, almost all of the loans are secured against property.

The criminal charges, which could lead to up to five years in prison for each defendant, mark the first such crack-down in the 20-year history of the Taiwan Stock Exchange. Mr Pai Peiying, the Commission's chairman, and other top Finance Ministry officials have vowed in recent months to end illegal accounts-tampering as Taiwan seeks to open its stock market and financial system to the rest of the world.

County Bank to expand in Japan

BY YOKO SHIBATA IN TOKYO

COUNTY BANK, a wholly-owned investment subsidiary of National Westminster Bank, has opened a representative office in Tokyo, in a move to enhance its position as an international fund raiser for Japanese entities.

Japanese companies have shifted away from the domestic capital market, and have become increasingly active in raising funds in overseas capital markets. In 1982 Japanese corporations floated 86 straight bonds on nverseas capital markets, three times as many as in the previous year and 42 issues were placed in the first three months of 1983. In addition Japanese government entities are planning to raise Y400bn ($1.69bn) this year through overseas issues, double the previous year's level.

County Bank, working closely with Handelsbank, a leading investment bank in the National Westminster group, arranged 27 issues by Japanese entities last year and in view of the significant role played by Japanese institutions as major borrowers, it bas decided to increase its commitment in Tokyo.

Together with its underwriting activities, the bank, as an investment manager or adviser, plans to expand the proportion of Japanese holdings in its portfolios and also to increase investment in the Japanese bonds and stocks. Funds placed by County Bank in Japan last year increased by 40 per cent and currently, some 35 per cent of its US$5bn of new international investment funds are committed to the Japanese markets.

MUI sees growth in rural banking

By Our Financial Staff

MALAYAN United Industries (MUI), the Kuala Lumpur-based diversified hotels and industrial group, has forecast pre-tax profit growth of around 12.5 per cent to 72m ($31.3m) ringgit this year, compared with 64m ringgit in 1982. The company has not estimated this year's net earnings. Last year they rose 19 per cent to 35.6m ringgit.

Yong Ming Sang, an executive director of MUI, said the company will be looking to its financial operations — particularly banking — to provide major growth this year and over the next five years.

The company aims to concentrate its efforts in the rural areas and intends to double the number of branches operated by its two principal financial units, Malayan United Banking and Malayan United Finance.

According to Yong, MUI also plans to expand its hotel and property operations and is hoping to expand its hotel chain from three to 15. This could involve expansion of the hotel chain beyond Singapore and Malaysia to elsewhere in the Pacific Basin.

MUI expects financial and manufacturing operations this year each to provide about one-third of the company's earnings. Property income should account for about 20 per cent, and hotels for 15 per cent. The company is aiming for pre-tax profits from existing assets of 220m ringgits by 1987, which would require compound annual growth of 30 per cent.

Sharp first-half increase in earnings at Nedbank

BY OUR JOHANNESBURG CORRESPONDENT

NEDBANK, which is one of South Africa's three major banking groups, benefited strongly from widening interest rate margins in the six months to March 31 1983.

First-half pre-tax operating income, after transfers tn inner reserves, was R66.3m ($60.8m) against R48.9m in the corresponding period of 1982, and R122.4m for the full year to September 1982.

At the end of March, total assets were R9.09bn against R8.14bn at the end of last September. In the six months just ended advances to customers rose to R4.1bn from R3.72bn at the end of September.

The directors believe interest rates margins will continue to widen during the next nine to 12 months, and Nedbank should benefit strongly as it relies to a greater extent than other banks, on interest sensitive wholesale deposits.

Nedbank recently led the South African banking industry by announcing that it would pay interest on daily balances in current accounts. However, it does not feel that the cost will be great. Current accounts stand at R450m compared with a total liability to the public of R6.89bn.

The interim dividend has been increased to 17.5 cents from 13.0 cents from first half earnings of 50.2 cents against 37.1 cents.

The year to September 1982 saw earnings nf 100.2 cents a share and the dividend total was 50 cents. The directors say the rate of earnings growth achieved in the first six months will be repeated in the second half, and the bank's policy is that the dividend total should be twice covered by earnings.

INTERNATIONAL APPOINTMENTS

Senior vice-president for Pan American

● Mr Arthur H. Hutton, general manager-North America for BWIA, has been elected senior vice president-administration of PAN AMERICAN WORLD AIRWAYS. Mr Hutton has been with BWIA since 1969, serving in his current position since 1973. At Pan Am, Mr Hutton will be responsible for property and facilities, accounting, and data systems and communications.

● Dr Hanns Kippenberger has been made executive vice-president of DEUTSCHE BANK.

● U.S. Comptroller of the Currency has named Mr Michael A. Mancusi senior deputy comptroller for National Operations. Mr Mancusi has been serving as deputy comptroller for the OCC's Central District. He will direct all operations of the OCC's Washington and field offices.

● Mr David R. Williams has been elected vice-president—finance of STAR-KIST FOODS, Inc., subsidiary of H. J. Heinz Company located in Terminal Island, California. Mr Francis W. Daily, Jr. will succeed Mr Williams as director—corporate audit in Heinz world headquarters, Pittsburgh. Mr Williams was general department manager and chief accountant of the British subsidiary at the time of his transfer to Heinz world headquarters, Pittsburgh, as manager, later director, corporate audit in 1976. Mr Daily was manager—financial and operational audits and general auditor—North America.

● ALCAN ALUMINIUM has appointed Mr Murray D. Lester as vice-president, energy resources, and Mr Dudley G. Eustace as treasurer. Mr Lester was director of energy resources. Mr Eustace was chief financial officer of Empresa Nacional del Aluminio SA (Endasa), a Spanish company in which Alcan has a 42.7 per cent interest. Mr Eustace succeeds Mr Alan A. Hodgson, who remains vice-president and chief financial officer of Alcan.

● Mr S. Marshall Orr, III, has been named director of human resources for ETHYL CORPN, based in Richmond, Virginia. Mr Orr was director of management services for C. B. Fleet Co., Inc., in Lynchburg, Va.

● LAND-ROVER - LEYLAND INTERNATIONAL HOLDINGS has appointed Mr Nigel Penn as managing director of its African operations. Mr Penn was managing director of Leyland Albion (Tanzania) before returning to the UK in 1981 as commercial manager of the African companies for which he now has overall responsibility.

● TRILOGY CORPN., the computer manufacturer, has appointed Mr Rete Braun as president of Trilogy International. Based initially in Cupertino, California, and subsequently in Zurich, Mr Braun will be responsible for international marketing sales and business development. A Swiss national, Mr Braun was president of Memorex International, part of the Burroughs Corpn.

● Mr Fred Ellis has been named vice-president — domestic sales for the CLIMAX MOLYBDENUM division of Amax Inc., in Golden, Colorado. Mr Ellis will continue to maintain his office in Arlington Heights, Illinois.

● AFIA WORLDWIDE INSURANCE has elected Mr Yohannes Kaypaghian assistant vice-president. He was manager for Africa and the Middle East. He will continue to be responsible for area admistration of these locations.

● SPERRY CORPN. has appointed Professor Herbert Gruenewald to its international advisory board. Professor Gruenewald is chairman of the board of management of the West German chemicals concern Bayer, A.G., Leverkusen. He joined Bayer in 1956, was elected to the board of management in 1968, and was named chairman of the board of management in 1974.

● A realignment of functions at the DOUGLAS AIRCRAFT COMPANY places the product support division under the senior vice-president of marketing, Mr Charles Conrad Jr. Mr Conrad's new title will be senior vice-president, marketing and product support.

● THE STANLEY WORKS, has appointed Mr Edmund M. Butler as group vice-president, industrial products. He will succeed Mr Joseph H. Myers, who is retiring on July 1. It is anticipated that Mr Butler will be elected as vice-president of the company at the directors' meeting on April 27. On June 1, Mr Richard G. Martin will take over Mr Butler's former post as president and general manager of the hardware division. Succeeding Mr Martin as area director for Latin America and Far East operations will be Mr John A. Hargreaves, who will be succeeded as president and general manager of the industrial hardware division by Mr James C. Lorence.

● SUN COMPANY has appointed Mr David W. Twomey director of a new corporate department which combines the functions of public policy analysis and public affairs. Mr Cornelius C. Shields, who has been vice-president of public policy, and before that Sun's chief tax counsel, will join Pepper Hamilton and Scheetz, a law firm with a longtime association with Sun. Mr Shields will become senior partner in the tax department of Pepper's Washington office.

● AM INTERNATIONAL has elected Mr Raymond A. Andrew as senior vice-president. In this newly created position, he will have responsibility for overseeing all corporate staff activities and will report to the chief executive officer. Mr Andrew was an independent business consultant concentrating on stratagy and business structure.

Explosive growth of the Sarakin stirs the Japanese conscience

BY YOKO SHIBATA IN TOKYO

PUBLIC OUTCRY lies behind *this week's move to bring the* Sarakin, the Japanese money lenders providing unsecured loans for non-specified purposes, closer legislative control.

The growth of Sarakin lending has been explosive. The top four Sarakin alone increased their loans two and a-half times to Y1,015bn ($4.2bn) over the year or so to February, while the number of their accounts doubled to 3.4m.

Behind the general growth of Sarakin lending has been a rise in tragic proportions in the number of individual and family suicides. The Diet, or Parliament, has in its progress towards legislation to bring in the curbs — at the seventh attempt—found public criticism turned against the level of interest rates involved in the operations of the thousands of Sarakin, many of which open the close at quick intervals, as a means of escaping taxes.

The public outcry has also been turned against the strong-arm tactics adopted for debt collection purposes by the less scrupulous Sarakin. Short of suicide has been the social problem of individual and family economic ruin and of those escaping their debts by running away.

At the broader level, the Sarakin lending has tried to top the total of personal loans extended by the 13 City banks (nationally organised commercial banks).

Stiff competition between the Sarakin has driven them to seek new business in various ways. These include opening new branches, up 900 to 1,618 on the year to the end of February, on a count of the top four, and, perhaps more importantly, an easing of credit standards.

Takefuji, the biggest Sarakin, for instance, has introduced a system under which the introduction of one borrower has been rewarded with a digital watch, that of six with a bicycle, and 10 with overseas travel.

Nevertheless, as part of the general reaction against the growth of Sarakin lending, Mr Takefuji, the Takefuji president, announced last week a cut in his company's promotion drive.

The problems reflected in the expansion of lending are shown in Acom, one of the big four, finding that with it its lending up three times on the year to February, against the number of outlets up 2.6 times, bad debts (as defined by repayment being over six days late) reached a proportion of 1.48 per cent of outstanding loans this January, against 0.49 per cent a year earlier.

Behind the expansion of outlets by the big four Sarakin has been an upsurge in new entrants to the market as a whole. There were some 14,000 new Sarakin registered in the year to March, a figure topped in the past only by the 16,000 of 1977. Sarakin need only to notify the prefectural authorities in their own areas, in order to operate. In the 1978-1980 period, the number hovered around 9,000, reaching 11,000 by 1981. The profit rises shown by the top four seem lately to have been a lure to the new entrants.

The House of Councillors has approved two Bills for regulating small personal loan companies which were immediately referred to the House of Representatives for final approval, which is expected by next Wednesday. The Bills call for lowering the lending rate ceiling to 73 per cent per annum from the present 109.5 per cent. The ceiling will be reduced further to 54 per cent in three years time and to 40.004 per cent by 1988.

Heavy lending competition in the current fiscal year, reflects on the number of cash dispensers (CD) and automatic teller machines (ATM), the Sarakin plan to install. Sarakin business is outside the rigid administrative guidance of the Ministry of Finance, which regulates banks, coming instead under the Ministry of International Trade and Industry.

The big four Sarakin operators are seeking a listing on the Tokyo Stock Exchange to improve their public images, to procure funds in the equity market, and to avoid Japan's income tax of more than 60 per cent on family held companies.

When Takefuji acquired early in March 8.7m shares of Toyo Tanshi Company, an electrical connector maker listed on the second section of the Tokyo Stock Exchange, Toyo Sanshi's share price was boosted by the idea that Takefuji might be seeking in this way a TSE listing.

Public criticism currently centres largely on the flow to Sarakin of funds from Japanese City and mutual banks and from the insurance companies. In 1978, the Ministry of Finance laid down guidance to Japanese City banks not to offer loans to Sarakin against the background of mounting social criticism of Sarakin interest rates, which were close to the legal maximum of 109.5 per cent.

At that time, the Government's ploy of encouraging the entry of foreign consumer loan companies with their relatively low interest rates worked with some success. Interest rates by Sarakin came down to about 40 to 46 per cent, the level charged by foreign companies.

For a while, lending to Sarakin came under the close sway of foreign banks, which were not covered by the administrative guidance. Funds from foreign banks came to account for as much as 50 to 70 per cent of the total funds procured by Sarakin.

However, Japanese City banks, distressed by sluggish demand for loans from industry as a result of prolonged recession, began last year to offer loans to Sarakin at attractive interest rates, through offshoot companies. Funds through such offshoots now account for 30 to 40 per cent of the total funds procured by major Sarakin operators, Mr Kumao Terada, a Socialist Diet member says.

According to Mr Yasutaka Miyamoto, director general of the Banking Bureau of the Ministry of Finance, the outstanding balance of loans from City banks and mutual banks to Sarakin operators at the end of September 1982 had risen by as much as 5.6 times to Y184bn from the Y32bn of the end of March 1981.

Such a scale of increase is an upsetting one for foreign banks, which have voluntarily refrained from lending to Sarakin.

Another change in the structure of Sarakin borrowing has taken place since the autumn, as a result of a report by Mr Tadao Hayashi, of the Bank of Japan, published in the magazine of the Bankers Association of Japan. Most City banks' loans to Sarakin operators were, he said, unsecured credits, since Sarakin claims were difficult to collect.

Sarakin companies have taken a bullish attitude in the face of this, however, backed by life and casualty companies offering loans to them to fill gaps left by foreign banks and City banks.

Sarakin borrowings from life and casualty companies quadrupled to Y200bn in the half year to end-December. Funds, from insurance companies, it is said in the industry, accounted for about 25 per cent of funds procured by Sarakin.

HOW THE TOP FOUR HAVE FARED

	Takefuji†	Promise‡	Acom†	Lake‡
Balance of loans 1982	Y274.2bn (+115%)	Y262.4bn (+179%)	Y202.9bn (+184%)	Y129.0bn (+100%)
Balance of loans 1983*	Y537.0bn	Y500.0bn	Y330.0bn	Y243.0bn
Operating profits 1982	Y18.9bn (+ 24%)	Y14.6bn (+ 81%)	Y9.4bn (+ 44%)	Y10.4bn (+ 45%)
Operating Profits 1983*	Y35.0bn	Y30.0bn	Y28.0bn	Y21.0bn
Number of outlets 1982	345 (+101%)	353 (+ 89%)	395 (+124%)	334 (+ 83%)
Number of outlets 1983*	530	520	540	500
CD and ATM 1982**	—	40	94	70
CD and ATM 1983*	200	300	300	110

† year to end-November; ‡ year to end-December; * forecast; ** cash dispensers and automatic teller machines.

Barrow Hepburn behind at £0.87m

TAXABLE PROFITS of the *Barrow Hepburn Group fell from* £1.64m to £865,000 for 1982 on turnover of £36m, compared with £30.61m. The dividend, however, is being maintained at 2.2p net per 25p share by a final of 1.4p.

The results include nine months of the Duttoo Group, sold *last November*, which incurred a loss of £240,000 on turnover of £1.6m.

Excluding the Dutton figures profits for the remainder of the group emerged at £1.12m (£1.64m), the reduction being principally due to SpA Luigi Rizzi & C, the Italian subsidiary which was affected by the level of demand from world tanneries, particularly those in Latin America aod Eastern Europe.

Pre-tax profits were struck after paying higher interest charges of £526,000, compared with £314,000—1981's figures included a £116,000 share of associate profits.

Tax accounted for £209,000 (£587,000) and extraordinary debits £808,000, *which included* £296,000 lo respect of the Dutton disposal, £323,000 for re-organisation expenses and realisation of uther subsidiaries and e provision of *£150,000 against* Mexican debtors.

Stated earnings per share were 2.26p (3.91p)—on a nil distribution basis they totalled 3.22p (4.68p).

A loss of £793,000 (£413,000 profit) was transferred from general reserves which, after adding £121,000 (£12,000 deduction) for exchange gains and deducting £189,000 discount on the acquisition of Duttou Group *in 1981 eliminated on its dis*posal, amounted tu £557,000 (£1.42m).

Mid-year profits were lower at £520,000 (£776,000)

● comment

Barrow Hepburn has oot abandoned hope of broadening its base further from leather and tanning, despite the costly *mis*take with Duttou Group sold back to its urigioal owners in November. Net borrowings are modest at £450,000 compared to shareholders' fund of £9.9m. Barrow Hepburn has looked at a couple of companies outside tanning and leather, and are prepared to pay up to £2m depeoding ou the quality of the acquisition. SPA Loigi Rizzi, its Italian subsidary which makes tanning machiuery has seen its traditional market Latin America *shrink drastically. After mak*ing a provisiou of £150,000 against Mexican debtors, it has stopped selling in Mexico and has turned its atteutiou north of the border where the U.S. provides its brightest trading prospect. UK subsidiaries, which include the distributiou of conveyor belting and the manufacture of safety equipment, await the economic recovery in common with the rest of the engineering sector. The shares were unchanged at 28p where they yield 11.8 per cent.

Hawker hit by mechanical engineering profits dive

PRELIMINARY results of the Hawker Siddeley Group for 1982 show *pre-tax profits* a "little lower" at £116.2m, compared with £121.1m previously, with the second six months contribution, *as expected, similar to that of* the opening half at £57.7m.

Despite a rise lo sales in the mechanical engineering division trading profits here tumbled by £9.4m to £54m during the year.

The directors say they have yet to see any substantial or widespread evidence of the almost universally predicted improvement in world trading cooditions in most of the sectors in which the group operates.

They add, however, that feelings of higher confidence are apparent in some markets and point out that it is not unusual to find economic upturns take a *little longer* to reach the capital goods sector.

The dividend for 1982 is being lncreased from 9.3p to 9.8p uet by a final of 6.1p (6.6p)—earnings per 25p share were *lower* at 38.9p (40.1p).

HIGHLIGHTS

Today Lex considers the rival offers for UDS and discusses wby shareholders should sccept the paper from Hanson Trust. The column goes on to look at the full-year figures from Hawker Siddeley, oue of the world's largest diversified engineering companies, *which is battening-down the hatches* as the squeeze comes on sales. Taxable profits have slipped £4.9m to £116.2m. Also examined is Minet Holdings where following a strong profits advance, St Pauls Companies of Minnesota bas increased lts holding posing new problems for the regulatory body of Lloyd's. *Elsewhere profits increases* are reported by W. H. Smith and RMC Group.

Group sales totalled £1.41bn (£1.4bn) and s *divisional* breakdown of these trading profits (£117.9m, against £127.5m) shows: electrical englo eering £679m (£628m) and £44.1m *(£43.3m); mechanical engineer*ing £519m (£489m) and £54m (£63.4m); and Hawker Siddeley Canada—mainly mechanical engineering—£209m (£278m) and *£19.8m* (£20.8m). Redundancy costs charged to trading amounted to £6.8m (£8.5m).

Pre-tax profits were struck after allowing for e sharp reductiou ln interest charges at £1.7m, compared with £6.4m.

Attributable profits came *through at £76.8m (£79.3m)* after tax of £32.2m (£33.7m) and *minority* interest of £7.2m (£8.1m). There were extraordinary credits of £17m (£25.8m).

See Lex

Dubilier cash call for £5.5m

BY DOMINIC LAWSON

Dubilier, the electronic compooents manufacturer, is asking *shareholders for £5.5m* by way of a one-for-four rights issue at 85p per share.

At the same time the company announced that profits for the six *months to March* 1983 tutalled £1.2m pre-tax (1982 £0.9m) ou turnover 36 per ceut higher et £12.4m.

The interim dividend is increased by 15 per cent to 0.9p and the company has promised to iucrease the final by e similar amount to 1.1p oo the increased capital—the new shares will not *rank for the interim.*

Interest payments were 63 per cent up at £407,000.

Managing director Mr Peter Cowell said yesterday: "Our gearing has got up above 60 per cent and we want to reduce it."

He added, however, that this year's capital expenditure of about £2m could be financed almost entirely out of cash flow. He revealed that Dubilier was spending about £200,000 e year ou its ioo beam technology research, but that it might be three years before commercial marketing was feasible. "We are very excited about it, but you must not confuse excitement with bullishness," he said.

Brokers tu the issue are de Zoete & Bevan, and underwriting has been arranged by Hambros Bank. After expenses the issue *will raise £5.31m.*

● comment

Dubilier's interim profits were good enough to allay fears of post-rights earnings dilution and the shares, which had hardly budged all year, gained 17p to 131p. Initially the rights issue will bring gearing of over 60 per cent, to below 20 per cent. But one can expect *Dubilier* to go shopping in North America again, undeterred by the strength of the dullar. Edac is washing its face in its first year with the company, a stark cootrast to Flightconnector which was acquired at the top of the market, and has still not made a net profit. Much of the interest in *Dubilier centres on its research* into lon beam technology, but the company is sensibly keeping e very low profile on this. The same can not be said of the *shares, which, assuming £2.75m* pre-tax is reached this year, are oo a prospective rights p/e of about 27.

Myson rights to raise £4.1m

BY DOMINIC LAWSON

Mysoo Group, the heating and air conditioning group rescued by *nine financial institutions* in 1981, is raising £4.1m by way of e two-for-nine rights issue at 45p per share.

At the same time the company has announced pre-tax profits of £1.3m for 1982, recovering from a pre-tax loss of £7.1m.

However, interest charges were still substantial at £2.17m *(£2.76m)*, and the rights issue is being launched to improve the balance sheet. According to Mr Andrew Coppel of Morgan Grenfell, bankers to the issue: "This will reduce capital gearing from more than 300 per cent to slightly over 100 per cent."

Mr Ray Wheeler, chairman, said yesterday: "Our cash flow should be sufficient this year to reduce gearing below 100 per cent."

Mr Wheeler added that the turnarouud from trading losses of more than £0.5m to profits of almost £4m was not due to any marked improvement in the *economic environment but to* "good management."

Undertakings have been received which should ensure e very full take-up of the rights *issue* and no underwriting fee is being charged. Yesterday the share price lost 2p to 45p.

Exceptional losses in 1982 were £506,000 (£3.85m), and earnings per share were 2.1p (losses 17.8p). No dividend is being paid, the last payment being 1980's interim. Additionally no distribution has been made on the preference shares since October 1981.

The board is considering the *elimination of the deficit on dis*tributable reserves and intends to submit proposals to shareholders in due course, thus enabling the resumption of dividend payments.

Food and catering boosts Steel Bros.

BOOSTED by the food and catering *activity*, pre-tax profits of Steel Brothers Holdings, also interested in construction and engineering, expanded *from* £7.81m to £10.02m for 1982. Turnover advanced to £128.9m compared with £110.55m.

At halfway, despite profits being ahead *from* £2.84m to £4.2m, the directors said that indications were that results for the full year would be somewhat less than 1981.

Earnings per 25p share at the year end were ahead from 41.21p to 51.7p and the dividend is boosted to 11.5p (9.6p) net with a final payment of 8p.

Tax charge was £3.1m (£2.6m), extraordinary debits £186,000 *(£205,000)* and after minorities, *£306,000 (£398,000)* attributable profits were £6.43m (£4.61m).

● comment

Steel Brothers' interim advance combined with e management forecast of a profir fall over the year drove home the message that a group of this diversity, whose business is conducted in 30 different currencies, is full of surprises. But the 28.3 per cent full year rise in pre-tax profits still lifted shares 25p to 350p, where they stand on a p/e of *10.3—admittedly* in a tight market with virtually 60 per cent of the equity in two shareholders' hands. The chief contribution came as a result of a management shake-up at Spinney's the food and catering arm. Spinney's is continuing to shift its traditional emphasis on the Gulf oil-fields—where falling oil prices *have led it to be chary about* growth—towards the Far East, UK and Canada, where it is concentrating on industrial, in-flight and oil industry catering. The *real surprise* came from the North American rock products and constructioz supplies division, whose results were less disappointing than anticipated on *the back of an unexpected im*provement in the construction market. But the new lime plant in Montana lost a major contract with Anaconda Copper due to a decline *in prices for copper*, where lime is used for refining. However, this will produce a receipt of US$12m liquidated damages in 1983; one of the few certainties in the *current* year.

Minet advances 20.6% to £17.8m and raises payout

TAXABLE PROFITS of insurance broker Minet Holdings advanced by 20.6 per cent from £14.75m to £17.8m in 1982—after a *13.7* per cent rise in the surplus on broking activities from £12.26m to £13.94m and a 25.1 per cent advance in the profits earned on underwriting from *£2.92m to £3.65m.*

With earnings per 20p share stated at 10.46p (10.21p adjusted for scrip) the year's dividend is being raised from an adjusted 3.8p to 4.55p with a final of 2.1p (2.01p adjusted).

Turnover rose from £46.13m to *£55.47m.* Tax *took £9.16m* (£8.43m) leaving net profits of £8.63m (£8.33m) and after minority interests of £387,000 (£480,000) and extraordinary debits of £1.02m (£3.36m) the attributable profits emerged at £7.03m (£4.9m). Pre-tax profits benefited by £1.9m from favourable foreign exchange movements.

The extraordinary item is a provision for the cost of an investigation into the affairs of the company's subsidiary PCW Underwriting Agencies by professional advisers appointed by PCW.

The directors point uut that investigations by the Committee of Lloyd's, by the Department of Trade and by the PCW professional advisers into reinsurances of syndicates managed by PCW and its associate WMD Underwriting Agencies are still in progress, and the results unlikely to be known *for* some considerable time due to their scope and complexity.

As part of its efforts to recover funds Minet's chairman, *Mr Raymond Pettitt has secured* under his position as joint signatory of money at the Swiss bank, Banque du Rhone et de la Tamise, $17m. In addition, other substantial assets have been located which are likely to lead to further legal action for their recovery.

Looking to the year ahead the directors say that *although fall*ing interest rates will affect investment income these rates will exert increasing pressures on insurers to raise their premium *levels. They also say the difficul*ties at PCW are temporary and the group's overall strengths are rapidly overcoming these.

With the group's skills and geographical spread, the directors say they have every reason to look to the future with confidence.

● comment

Yesterday's figures from Minet, one of the dwindling breed of independent UK insurance brokers, obviously pleased one shareholder. The results had hardly been digested when the St. Paul Companies announced the purchase of a further 5 per cent of Minet's equity. An increase of 20.6 per cent increase in profits to £17.8m became a sideshow as speculation mounted about the U.S. group's next move. *It may run up the stake* to 29.9 per cent sometime in the future but stressed that it intends to remain a minority shareholder. Together with Corroon & Black, the U.S. broker which holds 20 per cent in Minet, nearly half the group's equity could be concentrated into just two shareholders in a short amount of time. Minet's shares remained unchanged at 138p reflecting disappointment that a full bid had not materialised.

Sun Life climbs 20% to £8.48m

PRE-TAX profits at Sun Life Assurance Society rose by 20 per cent from £6.97m to £8.48m and after-tax *profits* by 19 per cent from £6.47m to £7.73m, following strong growth in the profits of the main life funds in 1982.

The dividend for 1982 is lifled by *21.8* per cent from 11p to 13.4p with a final dividend of 8p.

The proprietors' share of profits from the long-term *business fund* increased by 16.5 per cent from £6.08m to £7.08m. This represents 9 per cent of the total surplus compared with 8.8 per cent in 1981.

*Investment income on share*holders' funds declined marginally from £1.50m tu £1.49m, as a result of lower interest rates and effects of the rundown in *retained funds* in 1980. But profits from the managed pension fund operatiou Sun Life Pensions Management jumped from £53,000 to £200,000.

Shareholders are still having to fund for the development of the unit-linked *life subsidiary* Sun Life Unit Assurance. But costs in 1982 were more than halved from £571,000 to £287,000.

Total funds of the group passed the *£2bn* mark to reach £2.12bn on December 31 1982—a rise of £507m during the year. Total new premium income was in excess of last year's record *level of £110m.*

● comment

The profit figures from Sun Life Assurance are much in line with expectations. As a mainly traditional life company, profits from the main life and pension funds are released each year on a *steady* growth basis, with annual fluctuations being smoothed out by the actuarial valuation process. Until recently the group's business was dominated by company pensions business and this has been hit by the recession. But Sun Life has been successfully diversifying into personal and individual pensions, savings and life protection. So the flow of profit should not slacken appreciably from lack of growth in company pensions. The unit-linked operation looks near to break-even, while pensions investment operations are now contributing to profits. The share price slipped 4p to 503p, yielding 3.9 per cent gross —a yield that fully discounts future growth.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Argyle Trust	1	—	Nil	1	Nil
Barrow Hepburn	1.4	July 1	1.4	2.2	2.2
Biddle Holdings	7.6	June 10	6.6	10	9
Brixton Estates	2.3	July 23	1.95	4	3.5
A. and C. Black	6	—	4.89	7.5	5.39
Chesterfield	4.75	July 7	4.25	8.25	7.25
Danish Bacon	0.1	—	1.5	0.1	3.5
First Charlotte	0.05	July 4	0.15§	0.05	0.15§
Fegarty	2.42	—	2.42	4.02	4.02
Haden	6.38	June 14	5.5	8.63	7.5
Hawker Siddeley	6.1	July 6	5.6	9.8	9.3
Minet Holdings	2.1	—	2.01*	4.55	3.8*
Parambe	0.5	June 24	0.45	0.8	0.7
RMC Group	6.5	May 31	5.8	10.2	9.5
Securities Trust Scotland	3.55	June 20	3.2	5.55	5.1
W. H. Smith	4.25	July 15	3.75	6	5.25
A. G. Stanley	Nil	—	1.5	1	2.5
Steel Bros.	8†	July 4	6.45	11.5	9.6
Sun Life Assurance	8	June 14	6.5	13.4	11
British Syphon	Nil	—	1	0.5	1
Thos. Marshall	Nil	—	1.6	1.2	2.8
Triplevest	3.22	April 30	3.37	7.37	7.18
United Parcels	1.85	—	1.65*	2.55*	2.25*
Wade Potteries ...... int.	0.55	May 20	0.5	—	2
Wadkin	0.5	May 28	0.5	0.5	0.5

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisitiou issues. ‡ USM stock. § Includes *special payment of 0.1p.* ¶ For 10 *months.*

UK COMPANY NEWS

Wadkin cuts losses to £948,000 for year

AFTER a fall in second half taxable losses at woodworking machinery maker Wadkin from £1.1m to £298,000, the figure for the year to January 1 1983 dropped by £431,000 to £948,000. Turnover for the 12 months advanced from £24.67m to £26.39m.

And with losses per 50p share given as 16.76p (25.98p), and as 17.39p (25.76p) excluding irrecoverable ACT, the year's dividend is being held at 0.5p net to maintain the company's trustee status.

The directors say that internally 1983 will be a year of consolidation after the hectic activity of the past few years. They are aiming for a further reduction in working capital and a reduced though progressive rate of capital expenditure.

Providing present trends are maintained, they expect the group to report a profitable outcome for the year.

Plans are well in hand for developments during the 1984-1986 period which will embrace further advances in technology in both products and manufacturing techniques. The directors expect that in this phase the further improvements in productivity will be accompanied by increased volume rather than reduced employment.

The improved trend in UK housebuilding is being continued, but historically activity is still at a very low level.

Export markets were slow to show any recovery, however, there are prospects of some improvement in the U.S.

Although machine tool markets are still very sluggish the company is in the high technology field and the directors believe it is well placed for future growth.

During the second and third quarters of the year under review, a total of 26 per cent of employees were declared redundant or retired early. Costs of £285,000 were incurred in this process.

During 1983 the company has divested itself of the power tools division. There will be no termination costs associated with this transaction.

At the operating level the company returned to profits of £94,000 (losses £351,000), while pre-tax losses were struck after interest payable of £715,000 (£467,000), an exceptional debit of £306,000 (£592,000)—mainly for redundancy and termination costs—and a loss from other fixed asset investments of £21,000 (income £11,000).

There was a tax credit of £143,000 (£132,000).

● comment

Wadkin is now all but out of its £2m investment drive and a £382,000 turnround at the operating level in the second half reflects the effect of new technology on productivity. With pre-tax losses reduced, turnover up 13 per cent and the workforce down 25 per cent, the company is slimmer and fitter. Gearing has eased substantially to 25 per cent thanks to stock reductions and capital spending will level out at about £500,000 annually. Improved levels of housebuilding should lead to increased demand for Wadkin's woodworking tools from the timber components and furniture industries. The company believes currently higher orders for tools and engineering components could point towards a more active market for machining centres. It is introducing two new machining centres in 1983, the smaller of which is well placed to take advantage of orders resulting from the Sefis subsidies for minor engineering companies introduced in the budget. On these grounds, the company is capable of up to £750,000 pre-tax. The shares rose 6p to 85p on a prospective p/e of 11.3.

Emray lower after second half downturn

PRE-TAX profits of Emray, an industrial holding company, fell slightly from £201,445 to £194,576 for 1982 following a downturn from £138,000 to £127,000 in the second half.

Tax for the 12 months took £47,063 (£37,227) giving earnings of 1.05p (1.18p) per 5p share and the net dividend is being held at 0.5p. Turnover pushed ahead from £4.83m to £5.78m and below the line there were extraordinary credits this time of £5.46m (£1.31m). Net asset value per share is stated at 10.42p (9.94p).

In addition to the results it is announced that Emray has conditionally agreed to acquire Blue Bell Garages (Middlesbrough) from Harwal Finance Group, a wholly owned subsidiary of Taddale Investments. The consideration is £83,000 and will be satisfied by 9.4m fully paid ordinary shares.

Harwal has agreed to the placing of 3.57m of these shares at 11.5p. Thus Taddale's interest in Emray will be reduced to 25 per cent of the enlarged capital.

Folkstone District

Folkestone and District Water Company offer for sale by tender of £2.85m 7 per cent redeemable preference stock 1988 at a minimum price of issue—£101 per £100 stock attracted applications for £3.68m of stock. The lowest price to receive a partial allotment was £101.86. The average price obtained was £102.25.

Dealings in the stock begin today.

Brokers to the issue were Seymour Pierce and Co.

Yearling bonds total over £19m

Yearling bonds totalling £19.6m at 10½ per cent redeemable on April 25 1984 have been issued this week by the following local authorities.

Great Grimsby Borough Council £1m; Middlesbrough BC £0.5m; Rotherham Metropolitan BC £0.5m; Salford (City of) £1m; Rossendale District Council £0.5m; Gravesham BC £0.5m; Lothian Regional Council £1.35m; Malvern Hills DC £0.5m; Milton Keynes (Borough of) £0.75m; North East Fife DC £0.5m; South Pembrokeshire DC £0.25m; West Lancashire DC £0.25m; Swansea (City of) £1m; Grampian RC £2.5m; Brentwood DC £0.25m; Islington (London Borough of) £2m; Islwyn BC £0.5m; Tameside Metropolitan BC £0.75m; Greater Manchester Passenger Transport Executive £0.5m; Lothian Regional Council £1.5m; Sheffield (City of) £2m; Wigan (Metropolitan Borough of) £1m.

Order dismissed

A petition for the compulsory winding up of Victor Cinemas (RSW) Entertainments) against which a compulsory order was made on March 28, was dismissed by consent in the High Court today.

Mid-year slump puts York Trailer back in the red

AFTER seeing a return to profits—£258,000 against losses of £753,000—in the opening half, York Trailer Holdings plunged back into the red by the end of 1982. Group losses were £30,848, but these were considerably lower than the £1.22m reported in 1981.

Mr Fred Davies, chairman of this manufacturer and marketer of commercial semi-trailers for articulated vehicles and third axle assemblies, says there was an "incredible" mid-year slump throughout most manufacturing industry in Britain.

This, he adds, was exacerbated in the case of the commercial vehicle industry by uncertainty over the implementation, or otherwise, of proposed higher vehicle gross weights. While the matter was being discussed in Parliament, Mr Davies says the group's home market virtually ceased to exist. So York's good first half profits were wiped out.

"For all practical purposes," he adds, "we existed in the second half on the back of our export trade"—which accounted for nearly 34 per cent of business during the year.

[The Government has now enacted legislation, to become effective on May 1 1983 in favour of increased weights.]

The group suffered some problems in the opening two months of the current year, especially with the collapse of the two main oil-related export markets. More than compensating for the diminished exports, in a very heavy business revival for the group in the home market.

He says March saw the largest intake of order for new trailers since the beginning of the depression. All its service depots are working flat out, and despite the earlier hiccups, 1983 possesses all the signs of profitability based upon the progress made in 1982.

Group sales in 1982 were up from £18.9m to £21.04m. There was an extraordinary credit of £268,000 (£400,000), resulting in a net profit of £237,152 (£821,502 loss). No ordinary or preference dividends are being proposed for the year. There was a loss per 10p share of 1.7p (12.5p).

Mr Davies says that, despite all its problems, 1982 was a year of solid progress back towards corporate health. Borrowings were reduced by nearly £1.5m, net current assets increased by £1.4m, and, for the first time since the start of the depression, shareholders' funds now exceed total borrowings.

Biddle rises and optimistic about 1983

Pre-tax profits of Biddle Holdings advanced from £1.51m to £1.71m for 1982, the dividend is being raised by 1p to 10p per 25p share by an increased final of 7.6p and the directors look forward to satisfactory trading in the current year despite the recession.

Turnover moved ahead to £19.29m (£17.55m) and operating profits came through at £1.39m (£1.26m)—the group manufactures and installs heating and air conditioning equipment.

Interest received for the year totalled £320,000 (£258,000) but the tax charge edged up from £648,000 to £778,000.

Stated earnings per 25p share emerged at 23.3p (21.6p).

United Parcels moves ahead to £6.73m

An improvement in pre-tax profits from £6.05m to £6.73m has been shown by United Parcels for the year to January 29 1983. Turnover of this express carrier rose sharply from £40.19m to £53.6m.

In the second half pre-tax profits were ahead from £3.15m to £3.37m—at halftime the directors predicted that there would be another good result for the year.

After allowing for a one-for-one scrip last year, the final dividend has been effectively lifted from 1.65p to 1.85p, which raises the total from an equivalent of 2.25p to 2.55p. Earnings per 10p share were shown as rising from 8p to 8.9p.

Tax amounted to £2.08m (£2.05m) leaving attributable profits up from £4.02m to £4.65m. Dividends absorbed £1.34m (£1.15m), after which retained profits came through ahead at £3.3m against £2.87m.

Current cost pre-tax profits were reduced to £5.58m (£4.58m) and earnings per share are given as 6.7p (5p).

Companies and Markets

UK COMPANY NEWS

W. H. Smith £5.5m ahead: pays more

PRE-TAX PROFITS of **W. H. Smith and Son (Holdings)** rose to £26.71m for the year to end January 1983, an improvement of £5.54m on the figures of the previous 12 months.

The dividend on the 50p A shares is being stepped up from 5.25p to 6p net by an increased final of 4.25p and a scrip issue on a one-for-one basis is also proposed. The dividend on the 10p B shares rises to 1.2p (1.05), the final being 0.85p.

The results for the year were helped by a much better performance by the book distribution and publishing division, which reduced its losses by £3m, and by lower net interest charges, down from £2.13m to £743,000.

Group sales advanced from £772.99m to £871.32m and at the trading level there was a surplus of £25.93m, an increase of £4.41m or 20.5 per cent.

A divisional breakdown of sales and trading profits shows: newsagents, booksellers and stationers £462.41m (£416.58m) and £16.51m (£15.6m), D-I-Y £37.57m (£26.06m) and £50,000 (£316,000 loss), wholesaling £380.08m (£337.42m) and £9.93m (£9.62m), book distribution and publishing £22.8m (£23.31m) and £666,000 loss (£3.67m loss), and advertising contracting £7.34m (£6.91m) and £109,000 (£301,000).

Trading profits were struck after charging depreciation of £11.88m (£10.58m) and staff share ownership scheme of £902,000 (£747,000).

Available profits came through at £14.85m (£12.7m) after taking account of a higher tax charge of £11.86m (£8.45m) and minorities and extraordinary debits the previous year which totalled just over £4m.

Earnings per 50p share pre-extraordinary items amounted to 17.3p (14.9p) and asset value is given as 198.5p (117.8p).

The retailing businesses had a mixed year and mail order a poor year. W. H. Smith Do It All made a small profit, with selling space up by a third. The wholesale business again benefited from cover price increases.

The group's year-end is being changed to end-May. The directors point out that interim results cover an eight-month period and give little indication of the full year's figures because of the heavy dependence on Christmas trading. They believe shareholders will be better informed of the group's progress by the change—mid-year profits were ahead at £5.9m (£3.13m).

The majority of the group's properties have been revalued and at an adjusted £104.14m show a surplus of £58.4m over present book values.

● comment

The first half of W. H. Smith's year to January produced a windfall gain in profits, attributable very largely to the cleansing of its U.S. operations. In the closing six months, however, a more familiar pattern has emerged, with trading profits advancing by 13.2 per cent. The group is however providing some tangible evidance that it can improve returns from existing businesses. Retailing profits showed some improvement over the year despite a miserable performance from mail order and the book clubs and after absorbing a £1.3m provision against repairs in Swindon. In the UK, retailing sales are now running 13 per cent ahead of last year. The DIY chain reached its break-even target last year, could contribute £1m in 1983 and should be making a return after servicing the capital employed in 1984. Moreover, cash remains under tight control. Last year produced a cash inflow of £5.8m and the second half interest charge was negligible. But W. H. Smith has still not shaken off its low-growth image—a feature of the wholesaling division in particular — and the shares, which were heavily re-rated early last year, have recently run out of steam. At last night's price of 258p, they are yielding 3.4 per cent.

Optimism despite losses at T. Marshall

CONTRARY TO an interim prediction at Thomas Marshall (Loxley) that results for the second half would show some improvement, an attributable loss of £829,869 compared with profits of £555,325 has been shown for 1982. The final dividend is being passed, but a return to profits is expected in the current year.

At halftime pre-tax losses came to £240,000 (profits £270,000).

The cost of rationalisation will continue at a heavy rate in 1983, says Mr J. R. Gledhill, chairman, but he says that resources are adequate to sustain the group over this difficult period. Calculations indicate a return to profitability during the second-half of 1983.

Tax came to £192,957 (£227,730). Extraordinary debits rose sharply from £81,011 to £165,726 and ordinary dividends absorbed £66,541 (£155,256).

Losses per 25p share amounted to 12.15p compared with previous earnings of 11.3p, after which the only payment for the year is the net interim of 1.2p, against last year's total of 2.8p.

Turnover of this fireclay refractory manufacturer dropped from £18.14m to £15.96m.

The company's future in refractory production in the UK will be limited by the contraction of the home market and the directors are continuing to seek opportunities abroad to invest in or sell know-how to countries with expanding refractories industries. During 1983 the directors expect to finalise the sale of know-how of carbon refractory production in Asia.

The factors mainly responsible for the trading loss to June 30 1982 did not improve in the second half says Mr Gledhill. In particular demand in the iron and steel industries fell in the later months to levels lower than in the early '50s.

Haden expects further headway

AN IMPROVEMENT in second half figures from last time's £5.13m to £5.57m enabled **Haden**, the building services and metal finishing engineer, to return pre-tax profits of £8.62m for 1982, an increase of 12 per cent over 1981's £7.88m.

A further improvement is expected in the current year and meanwhile, the net dividend total for 1982 is being stepped up from 7.5p to 8.625p per 25p share by a final of 6.375p (5.5p).

Mr Peter Simonis, the chairman, says in a markedly difficult economic climate the group had an active and successful year. Turnover rose by 15 per cent to £282.55m (£245.58m) and trading profits moved up by £0.76m to £6.77m.

A geographical analysis of these sets of figures respectively shows: UK £145.8m and £2.37m; rest of Europe £40.47m and £155,000; U.S. £54.48m and £2.02m; Middle East and North Africa £9.45m and £1.71m; Australia £15.58m and £499,000; and other £16.77m and £3,000.

Stated earnings per ordinary share rose by 2.1p to 32.2p.

Mr Simonis comments that the group's cash position remains strong and that borrowings against £12m credit lines are small. He believes profitability will continue to improve in 1983.

● comment

The pre-tax outturn at Haden was well up to market expectations and with added encouragement of a 15 per cent higher dividend on 7 per cent increase in attributable profits shares rose 18p to 268p near their all-time high. The group, which is a world market leader in its main activities, shows little sign of the impact of the recession on its UK business. Apart from the U.S. it is not heavily into manufacturing operating mostly on a design and subcontracting basis. This leaves it flexible and able to produce a high return on capital employed—around 33 per cent at the trading level—though margins appear slim. France, faced by lack of demand, remained a problem area in 1982 and called for surgery which has been fully provided for above the line in the latest figures. The losses here held back performance in Europe but improvement is expected. In most other regions the group has continued to pick up contracts even in Australia. A healthy order book leaves the company confident but an upturn in the economy is likely to have a delayed effect on Haden's turnover. Meanwhile the company still holds some £16m in its cash pile and a sizeable acquisition, particularly in the U.S., cannot be ruled out in the short term. The yield is 4.7 per cent and the full taxed historic p/e 9.8.

A. & C. Black's solid second half progress

With second half pre-tax profits advancing from £57,000 to £152,000, *A. & C. Black*, publisher, reports year-end figures climbing from £122,000 to £335,000. There was a full year's contribution from Ernest Benn *and from its Pitman acquisition.*

The final dividend is raised from 4.89p net to 6p for an increased total of 7.5p against 5.39p. Stated earnings per 25p share rose from 11.7p to 32.5p or from 5.9p to 16.3p on a fully taxed basis.

Group turnover for 1982 was higher at £2.77m compared with £2.5m. The tax charge doubled at £14,000, and there was an extraordinary credit this time of £15,000.

Brixton Estate places £15m of debenture stock

BY ALISON HOGAN

Brixton Estate, the property development and investment company placed £15m first mortgage debenture stock 2018 *yesterday*. J. Henry Schroder Wagg acted as advisers, and brokers to the issue were Grenfell and Colegrave and Rowe and Pitman.

The coupon is 11¾ per cent, the issue price £99.782 and the gross redemption yield is 11.77 per cent (set at a margin of 1.27 per cent above the average of the gross redemption yields of two reference gilt-edged stocks.). Dealings should begin on April 22, for settlement on April 27.

Brixton Estate also revealed that its investment profit rose by 15 per cent to £7.06m in 1982, supplemented by a small dealing profit of £15,000. The interim dividend of 1.7p brought the total for the year to 4p, an increase of 15 per cent.

Investment properties totalled £207m at the year end with a small surplus over book value of £1.14m following the latest portfolio valuation at December 31 1982. Net assets total £122m. Net rental income rose 13.25 per cent to £13.64m.

● comment

Brixton Estate is back on the development acquisition trail after a quiet 1982. Three projects are in the pipeline, one overseas, and two at home of which one is rumoured by the market to be Percy Bilton, the property company — but no comment from Brixton. The share price rose 1p to 111p where it gives a yield of 5.3 per cent and stands at a discount of 27 per cent to net assets per share of 152.5p. The discount is at the upper end for the sector and could halve by the end of the year if the property market firms enough. Brixton Estate portfolio is split 30/70 between offices and factories. Brixton had about £42m of its total £88m debt at variable rate before yesterday's £15m placing of debenture stock. It hopes to remove all variable rate debt within two years, if interest rates continue to drop.

Downturn at First Charlotte

After interest and expenses of £72,000, against £50,000, pre-tax revenue of First Charlotte Assets Trust, investment trust, was much lower at £31,00, for the year ended March 31 1983, compared with [illegible] for the previous 10 months.

After tax, £11,000 (£37,000) earnings came out at £20,000, against £54,000 last time, giving a per share value of 0.07p (0.18p).

The dividend is 0.05p net—payment for the 10 months was 0.15p which included a special distribution of 0.1p.

British Syphon trims losses at year-end

Reduced losses of £467,000 compared with £593,000 are reported by British Syphon Industries for 1982. No final dividend is being paid, leaving the 0.5p interim as the only payment. Last year's total represented a final of 1p net.

Group turnover fell from £29.84m to £20.76m. Trading profits rose, however, from £297,000 to £738,000. The pre-tax figure included associates share of profit amounting to £86,000, and was after interest payable of £851,000 against £890,000.

There was an exceptional debit of £440,000 this time, and after tax £24,000 (same) and extraordinary debits of £661,000 (£482,000), the net loss was £1.15m (£1.1m).

Mr J. E. Eardley, the chairman, says the year's results are in line with estimates incorporated in the circular sent out last month.

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NOTICE OF REDEMPTION
To The Holders of

SECURITY PACIFIC OVERSEAS FINANCE N.V.

Guaranteed Floating Rate Notes Due 1991

Notice is hereby given pursuant to Section 4 (c) of the Fiscal Agency Agreement dated as of November 24, 1981, among Security Pacific Overseas Finance N.V., Security Pacific Corporation, as Guarantor, and Manufacturers Hanover Trust Company, as Fiscal Agent and Paying Agent, that all of the outstanding Guaranteed Floating Rate Notes Due 1991 of Security Pacific Overseas Finance N.V. ("Notes") have been called for redemption on May 24, 1983 (the "Redemption Date") at 100% of the principal amount thereof ("Redemption Price") plus accrued interest to the Redemption Date.

Payment of the Redemption Price plus accrued interest to the Redemption Date will be made by United States dollar check drawn on a bank in New York City or by transfer to a United States dollar account maintained by the payee with a bank in New York City.

The Redemption Price of $10,000 per $10,000 Note, together with the accrued interest, shall become due and payable on the Redemption Date upon surrender of the Note (A) by mail, at Manufacturers Hanover Trust Company, Corporate Trust Securities Processing, P.O. Box 1916, G.P.O. Station, New York, New York 10116, (B) by hand, at Manufacturers Hanover Trust Company, 130 John Street, Street Level, New York, New York, or (C) subject to any laws or regulations applicable thereto in the country of any of the following offices, at the main offices of Manufacturers Hanover Trust Company in London and Zurich, of Manufacturers Hanover Bank/Belgium S.A. in Brussels, and of Manufacturers Hanover Bank Luxembourg, S.A. in Luxembourg.

Interest will cease to accrue on the Notes on the Redemption Date. All Notes presented for redemption must have the November 24, 1983, and all subsequent coupons attached. The May 24, 1983 coupon must be presented to receive payment of accrued interest.

April 21, 1983

SECURITY PACIFIC OVERSEAS FINANCE N.V.

MINING NEWS

Gencor gold quarterlies make a mixed showing

BY KENNETH MARSTON, MINING EDITOR

ONCE AGAIN, the latest quarterly results of the South African gold mines in the Gencor group make a rather mixed showing. All received a higher gold price in the March quarter, although the average gain in rand terms over the previous three months was only 5 per cent compared with 11 per cent in U.S. dollar terms owing to the further recovery in the rand against the dollar.

Average gold prices received by the individual mines vary to a fair degree; as usual those to do particularly well were the mines which came off least well in the previous three months. And the producers which have been carrying out forward gold sales have done so successfully in terms of the prices received.

As noted before with this group, costs have been generally well contained and reductions have been achieved at Unisel, West Rand Consolidated and Kinross.

	March qtr. $/oz	March qtr. R/kg	Dec qtr. $/oz	Dec qtr. R/kg
Bracken	481†	16,464†	407†	14,870†
Buffels	472	16,305	438	15,481
Grootvlei	464	16,236	434	15,807
Kinross	467	16,725	430	15,825
Leslie	484†	16,759†	436	15,727
Marievale	496†	17,230†	402†	14,869†
St Helena	475	16,570	427	15,426
Stilfontein	464†	16,135†	428	15,446
Unisel	477	16,425	428	15,467
West Rand	478†	16,312†	460†	17,027†
Winkelhaak	473	16,418	432	15,677

† Includes the effect of closing out of forward sales contracts.

Virtually all the mines have increased their working profits but the impact of increased tax in the cases where there has been a fall in the offsetting capital expenditure has resulted in some lower net profits for the quarter.

A case in point is St Helena where tax liability has risen to more normal levels as a result of lower spending at both the St Helena and Beisa sections. The methane gas explosion at the latter section on April 8 resulted in some 500 black employees deciding to leave their jobs. Production is expected to be affected to a limited extent.

Others affected by higher tax include Kinross and Buffelsfontein, the last-named having also seen a falling-off in uranium income after the surge in the previous quarter. Lower profits at Grootvlei reflect a decline in mill grade.

On the other hand, Bracken, Winkelhaak, Leslie, Unisel and West Rand Consolidated have all raised net profits in the March quarter. The latest net profits are compared in the following table.

	Dec R000	Sept R000	June R000
Bracken	2,758	1,535	2,567
Buffels	28,515	29,001	24,383
Grootvlei	0,268	10,709	8,749
Kinross	13,578	14,317	15,198
Leslie	2,988	2,443	3,125
Marievale	733	751	656
St Helena	21,531	37,322	29,431
Stilfontein	8,175	13,257	9,178
Unisel	9,486	8,180	8,370
W Rand Cons	3,365	*3,124	13,268
Winkelhaak	13,494	12,637	13,728

* After repayment of State aid.
† After receipt of State aid.

Bigger loss for Inco in first quarter

A WORST-EVER loss of US$76.9m (£49.2m) or 92 cents per share, is reported for the first quarter of this year by Inco, Canada's struggling nickel giant.

It compares with a loss of US$37.2m in the first quarter of 1982 and one of US$63.7m in the fourth quarter which brought the year's total loss to US$204.2m.

However, low nickel prices only played a secondary role in the latest quarterly loss because there were also further costs of US$61m.

So much for the bad news. On the more positive side, Inco lifted its sales in the quarter to US$278m from US$255m in the final quarter of last year and, at the same time, reduced its burden of nickel stocks to 75m lb from 106m at the end of 1982 and 149m lb at March 31 1982.

Inco says that this inventory reduction together with US$45m net cash proceeds from the disposal of Inco Electro Energy's remaining businesses contributed to the company's generating an internal cash surplus of US$52m in the first quarter of this year.

The company also notes that nickel prices have begun to recover, pointing out that the price on the London Metal Exchange which was down to US$1.44 per lb in November has since improved to US$2.16.

Foreigner-selling of S. African mines boosted by rand change

FOREIGNERS sold South African mining shares worth at least R600m (£294m) in the five weeks following the abolition of the financial Rand last February, according to a study on foreign investment in South African mining companies published by Johannesburg stockbrokers Davis Borkum Hare.

These sales reduced foreign ownership of gold mines by around 2.4 per cent, bringing the drop since December 1981 to 4.4 per cent, reports our South African correspondent.

Foreigners are estimated to have held roughly 35.5 per cent of the equity of the mines in mid-March 1983, compared with 39.9 per cent at the end of 1981 and a peak of almost 42 per cent in 1979. The market value of their holdings was about R14.8bn in March.

The survey, which is based on an analysis of share registers, also points to a steady decline of foreign shareholdings in De Beers, platinum mining companies and other South African mines. Foreigners' stake in De Beers has slipped from 48.2 per cent in 1980 to less than 38 per cent last month.

The brokers ascribed the downward trend to the general decline in commodity prices over the past few years, fluctuations in the gold price and, more recently, the dismantling of the financial Rand which traded at a substantial discount to the commercial exchange rate making investment in South Africa shares relatively cheap.

Mr Michael Brown, one of the compilers of the study, said yesterday that he doubted whether political uncertainties in southern Africa had accelerated the sell-off, "although there is a political premium which an investor requires on his yield." Gold mining shares listed in Johannesburg presently offer an average yield of 6 to 7 per cent.

According to the study, U.S. investors' holdings are concentrated on short-life, high-cost mines such as Blyvooruitzicht, Durban Deep, Bracken and Loraine. They account for about 56 per cent of Blyvooruitzicht's total ownership.

Camco first quarter ahead

Increased profits before tax of $8.5m (£4.16m) against $6.18m (£3.96m) have been produced by Camco Inc for the first three months to the end of March 1983. Sales moved ahead from $38.88m to $41.39m.

Net profits rose from $3.46m to $3.7m, equivalent to 0.51 cents (0.48 cents) per share.

The company, which is part of the S. Pearson and Son group, makes gas lift equipment, safety systems and completion equipment for the energy industry.

Public Works Loan Board rates

Effective April 20

Years	Quota loans repaid by EIP†	Quota loans A‡	Quota loans repaid at maturity§	Non-quota loans A* repaid by EIP†	Non-quota loans A* A‡	Non-quota loans A* repaid at maturity§
Up to 3	10¾	10½	11	11¾	12	12
Over 3, up to 4	10¾	10¾	11¼	11¾	12	12
Over 4, up to 5	10⅞	11	11¼	11⅞	12	12
Over 5, up to 6	11	11¼	11⅜	11⅞	11⅞	11¾
Over 6, up to 7	11¼	11½	11½	11¾	11⅞	11¾
Over 7, up to 8	11½	11⅝	11⅝	11⅞	11⅞	11⅝
Over 8, up to 9	11½	11½	11⅝	11½	11¾	11⅝
Over 9, up to 10	11¼	11⅝	11¼	11½	11⅝	11⅜
Over 10, up to 15	11¼	11½	10⅞	12	11⅞	11⅝
Over 15, up to 25	11	10¾	10⅝	11½	11½	11⅜
Over 25	10⅞	10½	10¼	11¼	11	11

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

CNE puts in tender offer for Marinex

Canada Northwest Energy, a Calgary-based *oil and gas* exploration group, has announced plans to make a tender offer for Marinex Petroleum, a UK group with an interest in the Humbly Grovo discovery.

The shares of Marinex, which are traded in London under the provisions of Rula 163 (3), were suspended yesterday at tho company's own request. At the suspension price of 65p, the company is valned at £17.55m.

The tender offer follows tha signing of an agreement by Mr Andrew Fish, an executive director, to sell 4.05m Marinex shares to Canada Northwest. Mr Fish has also given a voting trust—effectively the right to vote shares—on his remaining bolding of 2.71m shares to *Canada Northwest.*

Marinex said it had not been informed of the price at which Mr Fish transferred his shares.

Marinex reported an increase in pre-tax profit to £139,000 in 1981 from tha previous year's £128,000

Marinex holds licences for areas in southern England, including Humbly Grove, the Republic of Ireland and Northern Ireland, Spain and the U.S.

BSR

Astec Circuit boards in which BSR previously beld a 67 per cent shareholding, is now a wholly-owned subsidiary of Astec International.

Acquisition of the 33 per cent minority shareholding was completed on March 31.

Truce called at Canal-Randolph

BY DAVID DODWELL

SIR WALTER SALOMON, chairman of Rea Brothers, the London merchant bank, and Mr Asher Edelman, a U.S. arbitrager, yesterday called a truce in their bruising four month feud for *control of* Canal-Randolph, the U.S. property company chaired by Sir Walter.

In exchange for three seats on the company's six man board, Mr Edelman has agreed to settle his legal actions against Sir Walter, his bank, and Canal-Randolph. He has also dropped *his proxy fight for board control,* due to be waged at the company's annual meeting in two weeks time.

Both parties committed themselves yesterday to setting differences aside, and looked forward to a "harmonious relationship." But after the vitriol spilt over the past four months, such harmony can not be taken *for granted.*

Canal-Randolph president, Mr Raymond French, said that three directors—Mr Dwight Sutherland, Mr Alfred Timm, and Mr A. Robbs Jnr—had resigned from the board. Replacing them would be Mr Edelman, and two of his nominees, Mr Charles Stevenson and Mr Burton Lehman.

Sir Walter, who has been chairman for more than 22 years, will retain his post, with Mr Edelman as vice-chairman and chairman of the executive committee of the company.

Mr Edelman started buying Canal Randolph shares in April last year. By December, having built up a 21 per cent stake, he became aware of Sir Walter's effective control of the company through shareholdings held by Rea Brothers and investment trusts linked to the bank, amounting to 28 per cent.

He then moved on to the offensive, declaring his intention to wage a proxy battle for control of the board, and filing law suits against Sir Walter alleging breach of Securities Exchange Commission regulations.

This litigation has been expensive. *Proxy solicitation* alone is expected to cost each side about $900,000. Both sides have been censured by the SEC. Termination of court action—even at this late stage—is likely to save all sides a considerable sum.

Mr Edelman now controls just over 28 per cent of Canal-Randolph's shares. The last, critical, stake bought a month ago, cost him $85 a share. But at an average purchase price of $52, his stake has cost him a total $23m. Canal-Randolph shares stood yesterday at $70 in New York, and almost £45 in London.

Takeover Panel intervenes in Pentland battle

By Clive Wolman

THE Takeover Panel yesterday intervened in the battle for assets of Pentland Investment *Trust by ordering two of Pent*land's Scottish investment trust allies to stop buying up Pentland shares with a view to blocking the bid from Throgmorton Trust.

The two Edinburgh-based trusts, Dominion and General and Scottish Ontario, have bought up a 3.3 per cent stako in Pentland *over the last 10 days.* In response to Throgmorton's bid for Pentland launched last month, the three Scottish trusts announced counter-proposals to merge and to create a set of unit trusts of their combined assets.

The Panel has been asked by Throgmorton to consider whether *the purchases are* in breach of Rule 37 of the Takeover Code. This restrains a company with a significant commercial interest in the outcome of a takeover bid from purchasing shares in tho target company.

It is normally used to stop share purchases by those who *trade with industrial companies*

"There is no precedent for a case like this involving investment trusts," said Mr John Hignett, director-general of tha Panel. Tha Panel beard representations yesterday from Throgmorton and Pentland and will announce its decision today as *to whether tha share purchases* may continue.

"The aim is to mop up any around," said Mr Richard Brotherston, director of the East of Scotland fund managers, which manages Pentland's portfolio of assets, worth nearly £55m. He would not say whether the aim was to achievo a 10 per cent blocking stako which would prevent Throkmorton from sonsummating tho takeover.

NO PROBES

The following mergers are not to be referred to the Monopolies *and Mergers Commission:* Pakhoed Holding NV/Pandair Freight; Standard Telephones and Cables/certain businesses of International Telephone and Telegraph Corporation; Trust Securities Holdings/ Percy Bilton; Greater Lancastria Co-operative Society/North Midland Co-operativo Society; Wolverhampton and Dudley Breweries / Davenports Brewery (Holdings).

Hanson holds 23.54% of UDS

BY RAY MAUGHAN

THE QUEST for the hearts as well as the minds of independent *UDS Group* shareholders continued yesterday as Hanson Trust, which has launched the better but spurned bid for the retailing chains, announced that its 133½p cash or 140p equity cum cash offers have been accepted by holders of just over 13 per cent of UDS's equity, leaving Hanson with a 23.54 per cent holding. It said categorically that its terms will not be increased.

Over 90 per cent of the acceptances, by both numbers and holders of shares, Hanson said, are for the share offer.

As Friday's closing date for the Hanson offer drew nearer—the time when major institutional shareholders are expected to decide the issue one way or the other—the UDS board attempted to set out clearly its reasons for supporting the lower, 130p per share, cash offer from the Bassishaw Investment consortium.

In addition to the suspicion it voices that a successful bid by Hanson would lead to a "serious loss of jobs" in the absence of specific assurances to the contrary, the UDS board endeavour to answer the question uppermost, perhaps in many shareholders' minds; has it been inconsistent in its advice?

It initially recommended the sale of Richards Shops and John Collier to Burton Group, a deal which now it explicitly resists by its support for Bassishaw. The board explains: "Wo were advised by our then financial advisers, Hill Samuel, that this was the only practicable way of frustrating a wholly inadequate offer of 100p in cash, which was Bassishaw's first offer and the only one then on the table."

Sir James Hanson countered that "our successful development could not have taken place without paying close attention to the interests of employees, the businesses with which they are concerned and the shareholders whom we all serve."

New Fraser move over Harrods

BY JOHN MOORE, CITY CORRESPONDENT

House of Fraser has started a legal campaign in Scotland as part of its efforts to ward off Lonrho's attempts to force tho *stores group to separate* its Harrods store in a demerger scheme.

Fraser is understood to be seeking a suspension and interdict against Lord Duncan-Sandys, Mr Terry Robinson, Mr Roland "Tiny" Rowland, Lonrho's chief executive, and Mr Paul Spicer—*the Lonrho directors* who represent Lonrho on the House of Fraser board.

The stores group is attempting to prevent the four from using House of Fraser's letter head on circulars which they *are dispatching to fight* the bid campaign.

Lonrho's first circular in its latest campaign in the long running battle for influence over the affairs of the Fraser group attracted the anger of House of Fraser when they were sent out under the House of Fraser name.

Lord Duncan-Sandys, chairman of Lonrho, and Mr Rowland signed the circulars in their capacity as directors of Fraser

As the battle warmed yesterday House of Fraser said that it had turned down a request *by Lonrho to put forward* a resolution at the extraordinary general meeting on May 6.

Lonrho wanted its own resolution calling for a demerger of Harrods to put at the same meeting at which House of Fraser was appealing to shareholders to accept the board's recommendation and reject the demerger.

Lonrho is now likely to seek an adjournment of the meeting

BTR's case for Tilling purchase

BATTLE FOR control of Thomas Tilling has formally opened as BTR despatched its offer documents *in support of its £600m bid for tho industrial holding* company.

It transpired however that the two sides bad already clashed *briefly in the U.S. courts oarlier* this week. Tilling took out a restraining order in Cook County, Illinois on behalf of its Ambassador Casualty offshoot of the Cornhill Insurance subsidiary.

Tilling said the court was now sitting to determine whether a more permanent injunction would be issued. It is understood that U.S. law dictates that authorisation of the relevant insurance bodies was required before change of control was prompted.

Morgan Grenfell, advising BTR, said yesterday that the legal position in Cook County was still extremely unclear although the order "is a minor fly in our ointment."

In the meantime, it is believed that Cazenove went back into the London stock market to secure a further 1.5m Tilling shares to add to the 20m shares, or 6.9 per cent of the equity, which it purchased during the raid immediately after Easter. On Tuesday BTR acquired 607,000 Tilling shares. On that occasion, as yesterday, its purchase price was 189½p cum Tilling's final dividend of 4½p per share.

BTR's arguments are a development of the management philosophy put forward in recent years and highlighted since the deal was first announced. "Acceptance for BTR shares means participation in a group with an exceptional record of growth and a relentless commitment to maintain and improve on that record," the bidder asserts.

Taking Tilling's share price before Easter, BTR has calculated that its terms give a 50 per cent uplift in value on the cash basis and a 68 per cent improvement on the equity basis.

Cadbury Australia raises Allen bid

Cadbury Schweppes Australia has increased the value of its joint bid for Allen's Confectionery from nearly A$41m (£22.9m) to more than A$48m in an apparently successful attempt to fight off a rival offer from Life Savers (Australia).

If the offer for Allen's, which is the largest non-chocolate sweet-maker in Australia, goes through it will represent a major expansion of Cadbury's Australian operations. The company is making its bid jointly with Nelson Tobacco Company, a privately-owned group.

Cadbury Australia, which is 62 per cent owned by its British parent, and Nelson, have increased their offer to A$4 cash or the equivalent in shares from the initial A$3.40 bid made last month.

Life Savers, part of the U.S. confectionery group, withdrew its offer because they were concerned that a redundancy agreement reached by Allen's with its unions would tie its hands if its bid went through.

Cadbury Australia is also worried and has obtained an Australian Supreme Court injunction to prevent Allen's implementing its agreement with the unions.

The company said, however, that the outcome of the legal action would not delay the progress of the joint bid, which closes on May 27.

The proposed acquisition is being reviewed by the Australian Foreign Investment Review Board, but Cadbury Australia said it did not anticipate any problems. It expects the board to deliver its verdict this week or next.

Cadbury Australia and Nelson together already hold 11.3 per cent of the Allen's equity while Life Savers has 19 per cent and Rothmans of Pall Mall (Australia) has 14.9 per cent. Rowntree Hoadley and Singapore property investor Mr Jack Chia have about 5 per cent each.

HEPWORTH CERAMIC

Hepworth Ceramic supports its contested all-equity offer for Steetley, the refractories and building products group, with the confident assertion that "we hava an understanding of Steetley's business in these areas—and what needs to be done."

The offer, which reaches its first closing date on May 11, comprises 10 Hepworth shares, quoted at 140p, for every 7 Steetley shares. Steetley dropped 1p yesterday to 213p.

In its formal offer document, Hepworth acknowledges the urgent need for further rationalisation in the refractories sector. It said that it "consistently applies a policy of matching production with demand and of reducing production costs wherever possible."

While such a policy in times of recession has inevitably resulted in redundancies, it has also ensured present and future employment for an optimum number of employees.

Gencor Group

Gold Mining Companies' Reports for the Quarter ended 31 March 1983

All companies mentioned are incorporated in the Republic of South Africa

ST. HELENA Gold Mines Limited

Issued capital – 9 625 000 ordinary shares of R1 each.
– 10 115 070 cumulative preference shares of R1 each.

Operating results St Helena GOLD	Quarter ended 31.3.1983	Quarter ended 31.12.1982
Mined (m²)	131 405	121 799
Ore milled (t)	555 000	550 000
Gold produced (kg)	3 497	3 575
Yield (g/t)	6,3	6,5
Working revenue (R/t milled)	104,66	100,51
Working costs (R/t milled)	42,09	41,04
(R/m² mined)	177,78	185,34
Working income (R/t milled)	62,57	59,47
Gold price received (R/kg)	16 579	15 435
($/oz)	476	427
Beisa Section GOLD		
Mined (m²)	57 573	40 409
Ore milled (t)	228 000	190 000
Gold produced (kg)	282	260
Yield (g/t)	1,24	1,37
URANIUM		
Pulp treated (t)	228 000	190 000
Oxide produced (t)	89,6	78,1
Yield (kg/t)	0,39	0,41
Financial results (R'000) St. Helena		
GOLD – Working revenue	58 087	55 284
– Working costs	22 360	22 574
– Working income	34 727	32 710
Sundry income	1 542	6 826
Income before taxation and State's share of income	36 269	39 536
Taxation and State's share of income	14 738	2 214
Income after taxation and State's share of income	R21 531	R37 322
Appropriation for capital expenditure	9 919	22 872
Actual capital expenditure	2 699	6 417
Dividend declared	–	26 950

Development – St. Helena	Quarter ended 31.3.1983 Basal Reef	Leader Reef	Quarter ended 31.12.1982 Basal Reef	Leader Reef
Advanced (m)	2 406	1 788	2 884	471
Advanced on reef (m)	341	518	372	315
Sampled (m)	339	518	368	294
Channel width (cm)	90	144	93	149
Average value – gold (g/t)	15,5	3,2	8,7	3,5
– (cm.g/t)	1 391	459	809	521

Beisa Section – Beisa Reef	Quarter 31.3.1983	Quarter 31.12.1982
Station cutting (m)	8	38
Advanced (m)	4 778	5 071
Advanced on reef (m)	1 095	1 102
Sampled (m)	965	1 082
Channel width (cm)	77	78
Average value – gold (g/t)	3,9	3,4
– (cm.g/t)	300	268
– uranium (kg/t)	1,247	1,256
– (cm.kg/t)	96,00	97,95

REMARKS

St. Helena

Capital expenditure
Amounts approved not yet spent – R8 752 052
Commitments in respect of contracts placed – R1 449 542

Dividend
A dividend of 280 cents per ordinary share was paid on 3 February 1983.

Beisa Section

Capital expenditure
Actual capital expenditure for the quarter amounted to R1,2 million (December quarter – R9,1 million)
Amounts approved not yet spent – R21 755 000
Commitments in respect of contracts placed – R3 552 000

Agreement between St. Helena and Beisa
No income has accrued to St. Helena to date.

General
On 8 April 1983 a methane gas explosion which occurred on A north level at the No. 1 shaft caused the deaths of 16 employees. Because of the accident approximately 500 black employees elected to terminate their agreements of service with the company and requested to be repatriated. Production at the mine will be affected to a limited extent.

STILFONTEIN Gold Mining Company Limited

Issued capital – 13 082 820 shares of 50 cents each.

Operating results GOLD	Quarter ended 31.3.1983	Quarter ended 31.12.1982
Mined (m²)	122 587	126 633
Ore milled (t)	436 000	427 000
Gold produced (kg)	3 249	3 118
Yield (g/t)	7,5	7,3
Working revenue (R/t milled)	120,56	113,22
Working costs (R/t milled)	68,31	67,49
(R/m² mined)	242,95	227,58
Working income (R/t milled)	52,25	45,73
Gold price received (R/kg)	16 156	15 446
($/oz)	464	428

The above figures exclude ore processed for Buffelsfontein Gold Mining Company Limited.

Financial results (R'000)	Quarter ended 31.3.1983	Quarter ended 31.12.1982
GOLD – Working revenue	52 564	48 343
– Working costs	29 782	28 820
– Working income	22 782	19 523
Sundry income – net	1 855	1 950
Tribute and royalties – net	(2 541)	(3 441)
Income before taxation and State's share of income	22 096	18 032
Taxation and State's share of income	13 921	8 575
Dividend received	–	4 800
Income after taxation and State's share of income	R8 175	R13 257
Capital expenditure	350	618
Dividend declared	–	18 594

Development	Quarter ended 31.3.1983 Vaal Reef	V.C.R.	Quarter ended 31.12.1982 Vaal Reef	V.C.R.
Advanced (m)	7 992	2 130	7 415	1 611
Advanced on reef (m)	1 202	871	1 139	713
Sampled (m)	873	816	924	657
Channel width (cm)	25	48	20	56
Average value – gold (g/t)	50,4	7,8	64,2	9,3
– (cm.g/t)	1 276	363	1 277	521
– uranium (kg/t)	0,675	0,176	0,812	0,169
– (cm.kg/t)	17,08	8,44	16,18	9,53

REMARKS

Capital expenditure
Amounts approved not yet spent – R2 898 000
Commitments in respect of contracts placed – R295 000

Dividend
A dividend of 150 cents per share was paid on 3 February 1983.

Note
Gold working revenue includes the effect of closing out of forward sales contracts during the quarter.

Chemwes Limited

(A subsidiary of Stilfontein Gold Mining Company Limited)
Issued capital – 1 000 shares of R1 each.

Operating results	Quarter ended 31.3.1983	Quarter ended 31.12.1982
Pulp treated (t)	610 000	982 000
Oxide produced (kg)	121 420	156 929
Yield (kg/t)	0,13	0,16
Financial results (R'000)		
Net income	R4 331	R8 990
Income appropriated for capital expenditure	073	282
Actual capital expenditure	101	282
Dividend declared	–	6 000

REMARKS

Capital expenditure
Amounts approved not yet spent – R649 000
Commitments in respect of contracts placed – R50 000

The GROOTVLEI Proprietary Mines Limited

Issued capital – 11 438 816 stock units of 25 cents each.

Operating results GOLD	Quarter ended 31.3.1983	Quarter ended 31.12.1982
Mined (m²)	107 344	120 144
Ore milled (t)	440 000	435 000
Gold produced (kg)	1 672	1 827
Yield (g/t)	3.6	4.2
Working revenue (R/t milled)	62.03	66.62
Working costs (R/t milled)	35.37	33.42
(R/m² mined)	144.96	121.00
Working income (R/t milled)	26.66	33.20
Gold price received (R/kg)	16 296	15 807
($/oz)	464	424
Financial results (R'000)		
GOLD – Working revenue	27 293	28 978
– Working costs	15 561	14 537
– Working income	11 732	14 441
Sundry income – net	466	678
Tribute and royalties – net	(498)	(383)
Income before taxation	11 700	14 736
Taxation	5 432	4 530
Income after taxation	R6 268	R10 206
Capital expenditure	1 822	6 034
Dividend declared	–	6 151

Development	Quarter ended 31.3.1983 Black Reef	Kimberley Reef	Quarter ended 31.12.82 Black Reef	Kimberley Reef
Advanced (m)	303	1 869	331	1 058
Advanced on reef (m)	146	1 354	175	1 056
Sampled (m)	143	1 337	173	1 049
Channel width (cm)	77	17	87	19
Average value – gold (g/t)	13.5	33.2	6.2	30.5
– (cm.g/t)	1 040	565	539	579

REMARKS

Capital expenditure
Amounts approved not yet spent – R6 323 027
Commitments in respect of contracts placed – R1 482 082

Dividend
A dividend of 80 cents per unit of stock was paid on 3 February 1983.

MARIEVALE Consolidated Mines Limited

Issued capital – 4 500 000 shares of 25 cents each.

Operating results GOLD	Quarter ended 31.3.1983	Quarter ended 31.12.1982
Mined (m²)	14 654	16 542
Ore milled (t)	81 000	75 000
Gold produced (kg)	275	285
Yield (g/t)	3,4	3,8
Working revenue (R/t milled)	58,67	56,59
Working costs (R/t milled)	36,71	35,95
(R/m² mined)	202,88	162,98
Working income (R/t milled)	21,96	20,64
Gold price received (R/kg)	17 239	14 856
($/oz)	496	402
Financial results (R'000)		
GOLD – Working revenue	4 752	4 244
– Working costs	2 973	2 696
– Working income	1 779	1 548
Sundry income – net	92	69
Tribute and royalties – net	(18)	(96)
Income before taxation	1 853	1 521
Taxation	1 120	770
Income after taxation	R733	R751
Dividend declared	–	1 125
Development		
Advanced (m)	696	543
Advanced on reef (m)	610	463
Sampled (m)	606	461
Channel width (cm)	96	86
Average value – gold (g/t)	6,5	7,1
– (cm.g/t)	620	610

REMARKS

Dividend
A dividend of 25 cents per share was paid on 3 February 1983.

Note
Gold working revenue includes the effect of closing out of forward sales contracts during the quarter.

WEST RAND Consolidated Mines Limited

Issued capital – 4 250 000 ordinary shares of R1 each.
– 25 000 deferred shares of R2 each.

Operating results GOLD	Quarter ended 31.3.1983	Quarter ended 31.12.1982
Mined (m²)	99 021	95 504
Ore milled (t)	538 300	524 000
Gold produced (kg)	1 068	1 057
Yield (g/t)	2,0	2,0
Working revenue (R/t milled)	32,76	35,96
Working costs (R/t milled)	26,60	29,20
(R/m² mined)	144,58	160,19
Working income (R/t milled)	6,18	6,76
Gold price received (R/kg)	16 512	17 827
($/oz)	476	486
Financial results (R'000)		
GOLD – Working revenue	17 635	18 843
– Working costs	14 317	15 299
– Working income	3 318	3 544
Uranium income	1 654	1 058
Sundry income – net	414	660
State aid	–	(693)
Income before taxation	5 386	4 569
Taxation	2 031	1 445
Income after taxation and State aid	R3 355	R3 124
Capital expenditure	12	32
Dividends declared	–	1 133
Development		
Advanced (m)	2 834	2 844
Advanced on reef (m)	1 166	1 377
Sampled (m)	1 107	1 311
Channel width (cm)	110	84
Average value – gold (g/t)	8,57	10,02
– (cm.g/t)	1 053	838

REMARKS

Capital expenditure
Amounts approved not yet spent – R1 494 163
Commitments in respect of contracts placed – Nil

Dump milling
A total of 193 980 tons was milled on surface dumps.

Dividends
Dividends of 20 cents per ordinary share and R11,33 per deferred share were paid on 2 February 1983.

Note
Gold working revenue includes the effect of closing out of forward sales contracts during the quarter.

BEATRIX Mines Limited

Share capital – 100 shares of R1 each.
Loan capital advanced to date – R179 443 000.

REMARKS

Capital expenditure
Net expenditure for the quarter on property, shafts, plant and equipment and general expenditure amounted to R24 125 000 (to date R181 378 000).
Amounts approved not yet spent – R169 229 000
Commitments in respect of contracts placed – R12 783 000

General
Construction at the mine is slightly ahead of schedule. Most of the surface facilities have been completed and major remaining construction work is being concentrated in the metallurgical plant.
No. 1 shaft has reached its final depth of 980 metres and is at present being equipped. No. 2 shaft has reached a depth of 900 metres with 13 metres remaining to its final depth.

UNISEL Gold Mines Limited

Issued capital – 28 000 000 shares of no par value

Operating results GOLD	Quarter ended 31.3.1983	Quarter ended 31.12.1982	6 months ended 31.3.1983
Mined (m²)	59 516	62 603	122 119
Ore milled (t)	312 000	300 000	612 000
Gold produced (kg)	2 246	2 160	4 406
Yield (g/t)	7,2	7,2	7,2
Working revenue (R/t milled)	118.75	111.57	115.23
Working costs (R/t milled)	39.61	40.22	39.91
(R/m² mined)	207.64	192.75	200.01
Working income (R/t milled)	79.14	71.35	75.32
Gold price received (R/kg)	16 459	15 462	15 973
($/oz)	471	428	450
Financial results (R'000)			
GOLD – Working revenue	37 049	33 471	70 520
– Working costs	12 358	12 067	24 425
– Working income	24 691	21 404	46 095
Sundry income – net	912	1 191	2 103
Milling fee	(1 684)	(578)	(2 262)
Income before taxation and State's share of income	23 919	22 017	45 936
Taxation and State's share of income	14 421	12 837	27 258
Income after taxation and State's share of income	R9 498	R9 180	R18 678
Capital expenditure	623	1 039	1 662
Loan repayments	–	6 713	–
Dividend declared	14 000	–	14 000

Development	Quarter ended 31.3.1983 Basal Reef	Middle Reef	Leader Reef	Quarter ended 31.12.1982 Basal Reef	Middle Reef	Leader Reef	6 months ended 31.3.1983 Basal Reef	Middle Reef	Leader Reef
Advanced (m)	1 966	53	246	2 113	36	30	4 079	94	276
Advanced on reef (m)	536	14	176	763	4	21	1 299	18	147
Sampled (m)	504	17	114	732	3	46	1 236	20	160
Channel width (cm)	136	154	150	179	24	253	132	111	217
Average value – gold (g/t)	10.2	3.6	4.2	16.0	11.9	4.1	13.5	3.8	4.1
– (cm.g/t)	1 388	475	767	2 360	255	1 173	1 735	423	898

REMARKS

Capital expenditure
Amounts approved not yet spent – R998 000
Commitments in respect of contracts placed – R60 000

Dividend
On 2 March 1983 dividend No. 7 of 50 cents per share was declared to members registered on 18 March 1983. Dividend warrants will be posted on 6 May 1983.

KINROSS Mines Limited

Issued capital – 18 000 000 stock units of R1 each.

Operating results GOLD	Quarter ended 31.3.1983	Quarter ended 31.12.1982	6 months ended 31.3.1983
Mined (m²)	108 885	112 569	221 454
Ore milled (t)	465 000	445 000	910 000
Gold produced (kg)	2 883	2 671	5 554
Yield (g/t)	6,2	6,0	6,1
Working revenue (R/t milled)	103,83	94,73	99,12
Working costs (R/t milled)	43,53	43,58	43,55
(R/m² mined)	185,89	172,26	178,96
Working income (R/t milled)	60,30	50,65	55,58
Gold price received (R/kg)	16 273	15 625	15 939
($/oz)	467	430	449
Financial results (R'000)			
GOLD – Working revenue	48 281	41 932	90 213
– Working costs	20 241	19 291	39 632
– Working income	28 040	22 541	50 581
Sundry income – net	697	634	1 331
Tribute and royalties – net	(1)	–	(1)
Income before taxation and State's share of income	28 735	23 175	51 611
Taxation and State's share of income	15 160	8 858	24 018
Income after taxation and State's share of income	R13 576	R14 317	R27 893
Capital expenditure	5 044	8 962	14 006
Dividend declared	14 040	–	14 040
Development – Kimberley Reef			
Advanced (m)	4 007	4 314	8 321
Advanced on reef (m)	713	936	1 649
Sampled (m)	705	1 052	1 757
Channel width (cm)	25	29	27
Average value – gold (g/t)	46,8	52.0	50.8
– (cm.g/t)	1 170	1 508	1 372
The above includes development for No. 2 shaft area as follows:			
Advanced (m)	3 038	3 335	6 373
Advanced on reef (m)	593	818	1 408
Sampled (m)	592	891	1 473
Channel width (cm)	22	28	26
Average value – gold (g/t)	56.8	59.3	57.6
– (cm.g/t)	1 250	1 659	1 497

REMARKS

Capital expenditure
Amounts approved not yet spent – R11 001 000
Commitments in respect of contracts placed – R1 770 000

Dividend
On 2 March 1983 dividend No. 30 of 78 cents per unit of stock was declared to stockholders registered on 18 March 1983. Dividend warrants will be posted on 5 May 1983.

BUFFELSFONTEIN Gold Mining Company Limited

Issued capital – 11 000 000 shares of R1 each.

Operating results GOLD	Quarter ended 31.3.1983	Quarter ended 31.12.1982	9 months ended 31.3.1983
Mined (m²)	224 711	245 798	719 388
Ore milled (t)	815 000	805 000	2 418 000
Gold produced (kg)	7 257	7 089	21 252
Yield (g/t)	8,9	8.8	8.8
Working revenue (R/t milled)	146,02	136.63	136,40
Working costs (R/t milled)	70.20	67.94	68,16
(R/m² mined)	254,81	222.52	229,11
Working income (R/t milled)	75.82	68.69	68,24
Gold price received (R/kg)	16 356	15 481	15 488
($/oz)	472	428	432

The above figures include ore processed by Stilfontein Gold Mining Company Limited.

URANIUM	Quarter ended 31.3.1983	Quarter ended 31.12.1982	9 months ended 31.3.1983
Pulp treated (t)	767 000	775 000	2 313 000
Oxide produced (t)	138	147	428
Yield (kg/t)	0.18	0.19	0,18
Financial results (R'000)			
GOLD – Working revenue	118 004	109 990	329 822
– Working costs	57 215	54 695	164 820
– Working income	61 789	55 295	165 002
URANIUM – Working income	535	5 111	6 424
Sundry income – net	2 203	1 803	6 037
Tribute and royalties	(5 150)	(6 720)	(16 887)
Income before taxation and State's share of income	59 377	55 489	160 576
Taxation and State's share of income	30 862	26 788	78 977
Dividend received	–	1 200	1 200
Income after taxation and State's share of income	R28 515	R29 901	R82 799
Capital expenditure	8 418	11 612	30 814
Dividend declared	–	28 600	28 600
Development – Vaal Reef			
Advanced (m)	13 053	14 167	41 056
Advanced on reef (m)	1 067	1 394	3 606
Sampled (m)	810	1 263	3 072
Channel width (cm)	114	125	123
Average value – gold (g/t)	14.5	12.7	13.3
– (cm.g/t)	1 656	1 583	1 631
– uranium (kg/t)	0,556	0,447	0,465
– (cm.kg/t)	63,58	56.69	57,01

REMARKS

Capital expenditure
Amounts approved not yet spent – R76 252 000
Commitments in respect of contracts placed – R16 178 706

Dividend
A dividend of 260 cents per share was paid on 3 February 1983.

BRACKEN Mines Limited

Issued capital – 14 000 000 shares of 90 cents each

Operating results GOLD	Quarter ended 31.3.1983	Quarter ended 31.12.1982	6 months ended 31.3.1983
Mined (m²)	57 340	64 909	122 249
Ore milled (t)	245 000	246 000	491 000
Gold produced (kg)	895	873	1 768
Yield (g/t)	3,7	3,6	3,6
Working revenue (R/t milled)	62,72	53.33	58.01
Working costs (R/t milled)	33.96	32.76	33.35
(R/m² mined)	145,08	124.16	133,97
Working income (R/t milled)	28.76	20.57	24.66
Gold price received (R/kg)	16 464	14 870	16 104
($/oz)	491	407	460
Financial results (R'000)			
GOLD – Working revenue	15 365	13 120	28 485
– Working costs	8 319	8 059	16 378
– Working income	7 046	5 061	12 107
Sundry income – net	507	(201)	306
Tribute and royalties – net	(76)	(40)	(116)
Income before taxation and State's share of income	7 477	4 820	12 297
Taxation and State's share of income	4 719	3 285	8 004
Income after taxation and State's share of income	R2 758	R1 535	R4 293
Capital expenditure	223	369	592
Dividend declared	3 780	–	3 780
Development – Kimberley Reef			
Advanced (m)	899	830	1 729
Advanced on reef (m)	401	197	593
Sampled (m)	404	196	600
Channel width (cm)	32	41	37
Average value – gold (g/t)	11,3	17.0	13.6
– (cm.g/t)	360	787	502

REMARKS

Capital expenditure
Amounts approved not yet spent – R2 013 119
Commitments in respect of contracts placed – R56 733

Note
Gold working revenue includes the effect of closing out of forward sales contracts during the quarter.

Dividend
On 2 March 1983 dividend No. 41 of 27 cents per share was declared to members registered on 18 March 1983. Dividend warrants will be posted on 6 May 1983.

WINKELHAAK Mines Limited

Issued capital – 12 180 000 shares of R1 each.

Operating results GOLD	Quarter ended 31.3.1983	Quarter ended 31.12.1982	6 months ended 31.3.1983
Mined (m²)	126 685	136 807	263 492
Ore milled (t)	552 000	525 000	1 077 000
Gold produced (kg)	2 422	3 255	6 677
Yield (g/t)	6.2	6,2	6,2
Working revenue (R/t milled)	102,22	97,42	99,88
Working costs (R/t milled)	35,07	34,55	34,82
(R/m² mined)	152,81	132,59	142,31
Working income (R/t milled)	67,15	62,87	65,06
Gold price received (R/kg)	16 416	15 677	16 056
($/oz)	473	432	453
Financial results (R'000)			
GOLD – Working revenue	56 425	51 146	107 571
– Working costs	19 359	18 139	37 498
– Working income	37 066	33 007	70 073
Sundry income – net	958	1 776	2 734
Tribute and royalties – net	(417)	(396)	(813)
Income before taxation and State's share of income	37 607	34 387	71 994
Taxation and State's share of income	24 113	21 750	45 863
Income after taxation and State's share of income	R13 494	R12 637	R26 131
Capital expenditure	1 918	2 149	4 067
Dividend declared	22 655	–	22 655
Development – Kimberley Reef			
Advanced (m)	3 033	2 032	6 065
Advanced on reef (m)	847	635	1 492
Sampled (m)	849	600	1 449
Channel width (cm)	57	56	56
Average value – gold (g/t)	15,8	25.9	20.1
– (cm.g/t)	899	1 450	1 127

REMARKS

Capital expenditure
Amounts approved not yet spent – R12 814 000
Commitments in respect of contracts placed – R649 000

Dividend
On 2 March 1983 dividend No. 46 of 186 cents per share was declared to members registered on 18 March 1983. Dividend warrants will be posted on 5 May 1983.

LESLIE Gold Mines Limited

Issued capital – 18 000 000 shares of 65 cents each.

Operating results GOLD	Quarter ended 31.3.1983	Quarter ended 31.12.1982	6 months ended 31.3.1983
Mined (m²)	60 201	81 205	121 406
Ore milled (t)	269 000	279 000	548 000
Gold produced (kg)	962	977	1 939
Yield (g/t)	3,6	3.5	3.5
Working revenue (R/t milled)	61.94	55.27	58,55
Working costs (R/t milled)	39.37	36.73	38.03
(R/m² mined)	175.91	167.44	171,64
Working income (R/t milled)	22.57	18.54	20.52
Gold price received (R/kg)	16 758	15 727	16 542
($/oz)	484	436	464
Financial results (R'000)			
GOLD – Working revenue	16 662	15 422	32 084
– Working costs	10 590	10 248	20 838
– Working income	6 072	5 174	11 246
Sundry income – net	136	256	392
Tribute and royalties – net	–	(4)	(4)
Income before taxation and State's share of income	6 208	5 426	11 634
Taxation and State's share of income	3 240	2 983	6 223
Income after taxation and State's share of income	R2 968	R2 443	R5 411
Capital expenditure	230	501	731
Dividend declared	4 640	–	4 640
Development – Kimberley Reef			
Advanced (m)	1 682	1 952	3 634
Advanced on reef (m)	606	604	1 210
Sampled (m)	618	623	1 241
Channel width (cm)	15	11	13
Average value – gold (g/t)	34.1	46.2	38.6
– (cm.g/t)	511	494	502

REMARKS

Capital expenditure
Amounts approved not yet spent – R1 474 122
Commitments in respect of contracts placed – R200 928

Dividend
On 2 March 1983 dividend No. 37 of 28 cents per share was declared to members registered on 18 March 1983. Dividend warrants will be posted on 5 May 1983.

Note
Gold working revenue includes the effect of closing out of forward sales contracts during the quarter.

General
An accident which occurred at the No. 1 shaft loading box on 12 March 1983 delayed hoisting operations for five working days whilst repair work was carried out and consequently affected production.

Notes

1. Development values quoted above represent actual results of sampling, and no allowance has been made for any adjustments which may be, or were, necessary when estimating ore reserves at the end of the financial years.
2. All financial figures are unaudited.
3. The quarterly reports have been approved and signed on behalf of the respective companies by two directors.

Johannesburg, 20 April 1983

Copies are available from: London Office, 30 Ely Place, London, EC1N 6U

UK COMPANY NEWS

Chesterfield Properties moves up to £5m

PROFITS before tax at Chesterfield Properties rose from £4.31m to £5.02m for 1982 and the dividend has been lifted from 7.25p to 8.25p with a final of 4.75p.

Earnings per 25p share increased from 10.43p to 13.16p.

Turnover expanded from £7.33m to £8.09m which included property investment of £7.2m (£6.54m), management and guarantee fees £64,000 (£105,000) and other activities at £825,000 (£691,000).

The group's investment properties have been revalued at £111.66m as at December 31 1982, which excluded one property valued at January 1 1982 at £9.6m. This produces a net asset value of 514p.

The valuation includes sites held for or in the course of development.

Income from completed properties and other activities amounted to £5.73m (£5.39m) before interest of £712,000 (£1.1m). The interest charge excludes development outgoings of £1.59m (£810,000 net of tax relief). The corresponding figure for 1981 was £1.07m (£540,000) net of tax relief).

Pre-tax profits last time also included associate profits of £21,000.

Tax amounted to £2.42m (£2.25m) which included a charge for the UK of £2.19m (£1.94m). Available profits came through at £2.6m compared with £2.08m.

Fogarty second half pick up

DESPITE increasing second-half profits from £377,000 to £521,000 pre-tax losses of £12,000 were shown by Fogarty for 1982, compared with previous profits of £1.32m. The final dividend has been held and the directors expect a recovery in profits for the current year.

Turnover of this manufacturer of continental quilts, pillows and other furnishings slipped from £39.24m to £35.78m.

Despite a net loss per 30p share of 3p against previous earnings of 6.3p the final dividend has been held at 2.42p which holds the total at 4.02p.

The net loss per share followed lower tax of £287,000 against £602,000 extraordinary debits this time of £1.33m. At the halfway stage the directors had reported the closure of two factories.

The directors point out that profit generated during the last four months of the year was sufficient to bring the group to an approximately break-even situation. They say that margins remain unsatisfactory but the group is now profitable and they expect a recovery in profits.

Current cost pre-tax losses came to £881,000 (profit £612,000).

Argyle Trust at £609,000 and pays 1p dividend

PRE-TAX profits of Argyle Trust for 1982 are £609,000, compared with £692,000, and a dividend of 1p net per 25p share is being paid.

Last August, in their interim report, the directors said they expected the year's outcome to be broadly similar to 1981. This was after taking into account an additional £100,000 of interest payable on money borrowed to redeem the 12.75 per cent net and the 7.35 per cent net redeemable preference shares on June 25 1982.

Results of the group's life assurance company, Sterling Life have not been included.

Figures for 1981 are for the Sterling Credit Group restated in respect of Sterling Life and adjusted to reflect the scheme of arrangement between the Sterling Credit Group and Argyle Trust in June 1982.

Total income amounted to £3.63m, against £3.28m.

The board, together with its advisers, is examining the practicality of obtaining an Unlisted Securities Market quote for the company's Lloyd's insurance broker, Dewey Warren and Co. The effect of this would be to introduce new capital into Dewey while Argyle would retain its existing holding for the time being, although consideration will be given to a full demerger in the longer term.

Mercantoil USM quote 'within 12 months'

IN A placing to raise £900,000 for Mercantoil, and as a prelude to applying for a quotation on the Unlisted Securities Market "within the next 12 months," Hill Woolgar is placing 900,000 ordinary shares in Mercantoil at 100p each.

Mercantoil supplies sea bed survey, mapping, navigational position fixing, and other advanced equipment, together with oil and gas transfer systems and associated services, to the offshore oil and petrochemicals industries.

On forecast profits of £200,000 for 1983 after tax and minority interests, the price earnings ratio at the 100p issue price is stated at 13.9. The placing will be made to shareholders in Hill Woolgar and to shareholders in Mercantoil.

Hill Woolgar has provided finance and been financial advisors to Mercantoil since 1981. The previous placing to Hill Woolgar shareholders was in 1982, at a price of 225p a share. Following a five-for-one split from a par value of £1 to 20p, that is equal to 45p each for the shares in their current form.

Hill Woolgar, which has been making a market in Mercantoil shares, suspended dealings on Wednesday of last week when the shares, in their £1 form, were priced at 520p. Following the issue, dealings in the shares in their 20p par value form will be resumed on April 29.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume (1978=100); retail sales value (1978=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Ind. prod.	Mfg. output	Eng. order	Retail vol.	Retail value*	Unem-ployed	Vacs.
1982							
1st qtr.	100.7	89.3	90	105.5	141.2	2,679	112
2nd qtr.	101.0	88.9	89	106.8	145.1	2,743	107
3rd qtr.	101.6	88.3	84	106.9	150.7	2,837	111
4th qtr.	101.5	87.3	87	110.7	[illegible]	2,913	115
July	101.4	88.2	82	108.6	152.9	2,814	111
August	[illegible]	[illegible]	[illegible]	[illegible]	150.4	2,832	114
September	[illegible]	88.4	85	[illegible]	[illegible]	2,866	107
October	101.7	87.6	92	[illegible]	[illegible]	2,885	114
November	100.4	86.7	83	[illegible]	[illegible]	2,908	114
December	[illegible]	87.6	86	[illegible]	[illegible]	2,949	118
1983							
1st qtr.						3,003	124
January	102.5	88.7		110.1	154.7	2,983	122
February	103.6	88.6		111.1		3,001	126
March				112.0		3,026	128

OUTPUT—By market sector; consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (000s, monthly average).

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Housg. starts*
1982							
1st qtr.	92.5	90.7	121.2	86.1	81.2	74.3	14.7
2nd qtr.	91.9	91.4	122.0	86.4	77.9	72.3	17.5
3rd qtr.	91.4	91.2	122.6	86.3	72.5	71.3	17.1
4th qtr.	92.3	89.2	122.3	85.2	69.3	71.7	15.0
July	91.0	91.0	122.0	86.0	72.0	71.0	16.7
August	91.0	91.0	122.0	86.0	72.0	70.0	15.7
September	92.0	91.0	123.0	86.0	73.0	74.0	19.0
October	93.0	89.0	123.0	85.0	72.0	73.0	15.5
November	91.0	90.0	120.0	85.0	68.0	68.0	17.3
December	93.0	89.0	124.0	85.0	80.0	74.0	12.3
1983							
January	94.0	90.0	123.0	85.0	79.0	71.0	15.3
February	93.0	91.0	127.0	86.0	75.0	70.0	19.8

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance (£m); oil balance (£m); terms of trade (1975=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US$bn*
1982							
1st qtr.	127.5	125.5	+235	+589	+698	101.2	18.97
2nd qtr.	131.4	130.2	+123	+803	+858	101.3	17.70
3rd qtr.	125.1	123.7	+609	+847	+1,313	100.5	18.30
4th qtr.	131.4	124.0	+1,262	+1,709	+1,736	99.3	16.85
July	126.5	123.8	+193	+272	+449	100.7	17.94
August	118.3	121.1	+ 91	+171	+474	101.1	18.11
September	130.7	126.1	+325	+404	+390	99.7	18.30
October	126.8	125.8	+215	+364	+501	98.8	18.50
November	132.4	122.5	+539	+688	+543	99.4	18.00
December	135.0	123.8	+508	+657	+692	99.7	17.00
1983							
January	121.0	134.3	−491	−311	+510	98.8	16.85
February	131.0	135.2	−188	+ 42	+604	99.1	16.58
March							17.34

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate (end period).

	M1 %	M3 %	Bank advances %	DCE £m	BS inflow	HP lending	MLR %
1982							
1st qtr.				+3,194	967	2,157	
2nd qtr.	2.1	8.2	26.2	+4,535	1,344	2,210	
3rd qtr.	15.2	12.6	28.3	+4,829	1,796	2,396	
4th qtr.	19.0	13.2	26.9	+5,032	2,139	2,556	
July	14.2	11.3	29.4	+1,379	691	703	
August	17.5	12.3	26.6	+2,020	437	853	
September	14.2	14.0	28.8	+1,430	668	840	
October	24.0	18.2	32.4	+2,814	886	808	
November	17.4	12.2	25.4	+1,121	763	874	
December	15.9	9.8	23.2	+1,073	490	874	
1983							
1st qtr.	3.8	5.6	10.8	+3,119	1,127		
January	7.6	4.2	6.7	+909	391	872	
February	9.9	5.2	13.0	+873	386	813	
March	9.1	6.9	11.8	+1,337	350		

INFLATION—Indices of earnings (Jan. 1975=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (1975=100).

	Earn-ings*	Basic matls.*	Whsale. mnfg.*	RPI*	Foods*	FT* comdty.	Strlg.
1982							
1st qtr.	216.6	238.2	234.3	311.6	297.7	242.40	91.1
2nd qtr.	222.7	240.0	238.2	321.5	304.1	233.46	90.2
3rd qtr.	227.8	244.9	242.0	323.0	297.0	228.88	91.4
4th qtr.	231.3	251.7	246.8	325.4	298.5	238.84	89.2
July	230.3	245.0	241.0	323.0	299.5	229.51	91.2
August	226.9	244.1	241.7	323.1	295.5	229.60	91.4
September	226.2	245.6	243.2	322.9	295.9	228.56	91.7
October	228.0	246.1	245.1	324.5	296.5	227.18	92.5
November	232.2	252.6	246.5	326.1	298.8	228.03	89.5
December	233.8	255.6	248.8	325.5	300.1	238.84	85.6
1983							
1st qtr.		258.4	251.3			277.29	80.6
January	232.2	261.1	250.1	325.9	301.8	255.45	81.9
February		257.0	251.2	327.3	302.1	256.25	80.7
March		257.1	252.6			277.29	79.1

* Not seasonally adjusted.

BASE LENDING RATES

A.B.N. Bank	10 %
Al Baraka International	10 %
Allied Irish Bank	10 %
Amro Bank	10 %
Henry Ansbacher	10 %
Arbuthnot Latham	10 %
Armco Trust Ltd.	10 %
Associates Cap. Corp.	10 %
Banco de Bilbao	10 %
Bank Hapoalim BM	10 %
BCCI	10 %
Bank of Ireland	10 %
Bank Leumi (UK) plc	10 %
Bank of Cyprus	10 %
Bank Street Sec. Ltd.	10½%
Banque Belge Ltd.	10 %
Banque du Rhone	11 %
Barclays Bank	10 %
Beneficial Trust Ltd.	11 %
Bremar Holdings Ltd.	11 %
Brit. Bank of Mid. East	10 %
■ Brown Shipley	10½%
Canada Perm't Trust	11 %
Castle Court Trust Ltd.	10½%
Cayzer Ltd.	10 %
Cedar Holdings	10 %
■ Charterhouse Japhet	10 %
Choulartons	11 %
Citibank Savings	‡10 %
Clydesdale Bank	10 %
C. E. Coates	10½%
Comm. Bk. of N. East	10 %
Consolidated Credits	10½%
Co-operative Bank	*10 %
The Cyprus Popular Bk.	10 %
Duncan Lawrie	10 %
E. T. Trust	11 %
Exeter Trust Ltd.	11 %
First Nat. Fin. Corp.	13 %
First Nat. Secs. Ltd.	13 %
Robert Fraser	11½%
Grindlays Bank	‡10 %
■ Guinness Mahon	10 %
■ Hambros Bank	10 %
Heritable & Gen. Trust	10 %
■ Hill Samuel	§10 %
C. Hoare & Co.	†10 %
Hongkong & Shanghai	10 %
Kingsnorth Trust Ltd.	12 %
Knowsley & Co. Ltd.	10½%
Lloyds Bank	10 %
Mallinhall Limited	10 %
Edward Manson & Co.	11½%
Midland Bank	10 %
■ Morgan Grenfell	10 %
National Westminster	10 %
Norwich Gen. Tst.	10 %
P. S. Refson & Co.	10 %
Roxburghe Guarantee	10½%
Royal Trust Co. Canada	10 %
Slavenburg's Bank	10 %
Standard-Chartered	‖10 %
Trade Dev. Bank	10 %
Trustee Savings Bank	10 %
TCB	10 %
United Bank of Kuwait	10 %
Volkskas Intl. Ltd.	10 %
Westpac Banking Corp.	10 %
Whiteaway Laidlaw	10½%
Williams & Glyn's	10 %
Wintrust Secs. Ltd	10 %
Yorkshire Bank	10 %

■ Members of the Accepting Houses Committee.
* 7-day deposits 6.75%, 1-month 7.00%. Short-term £8,000/12 months 9.35%.
† 7-day deposits on sums of: under £10,000 6¾%, £10,000 up to £50,000 7¼%, £50,000 and over 8½%.
‡ Call deposits £1,000 and over 6¾%.
‖ 21-day deposits over £1,000 7¼%.
§ Demand deposits 6¾%.
¶ Mortgage base rate.

Second half lifts RMC to £44.8m

FOLLOWING A slight dip in first half pre-tax profits, from £18.53m to £16.06m, RMC Group, manufacturer of materials for the construction industry, came back in the second six months and finished 1982 with £44.78m, compared with £41.67m. Turnover expanded by £147.1m to £924.91m for the 12 months.

Directors say that results for the first three months of the current year indicate that there has been a trading improvement against 1982, but it is too early to say whether this trend will continue throughout the rest of 1983.

After higher tax charge of £19.6m (£15.15m including a £2.72m deferred tax release) earnings per 25p share are shown behind at 25.6p against 26.9p—excluding the deferred release last year's earnings are given as 23.7p.

The dividend is boosted to 10.2p (9.5p) net per share with a final distribution of 6.5p.

Operating profits for 1982 were well ahead at £55m, against £47.44m, but there were associates' losses of £1.28m, compared with profits of £104,000, and interest charges were much higher at £8.96m (£5.87m).

Directors say the interest figure reflected in the main the impact of a full year's interest on the multi-currency bank loan obtained in 1981 to finance expansion in Europe.

After tax, minority interests, £4.28m (£4.86m) and extraordinary debits, this time, of £3.18m (nil) the attributable balance came through down from £21.66m to £17.7m. Dividends will absorb £8.54m (£7.67m).

● comment

The paucity of RMC's divisional breakdown gives no precise guidance on how last year's 7.4 per cent pre-tax profits increase was achieved. Nevertheless, the contribution from UK ready mixed and aggregates stood out like a lump of concrete: these divisions probably account for about 75 per cent of the group's domestic business, where trading profits rose by 47 per cent to £34.4m. The strength of this increase illustrates the high operational gearing of the group, which reckons that its current 388 UK depots are adequate to cope with a volume increase far in excess of last year's 4 per cent. This year, RMC is probably budgeting for a rise in domestic deliveries of roughly the same order, while a reversal of the volume decline in overseas markets should more than halt last year's 14 per cent slide in non-UK operating profits. Two years ahead, RMC is aiming to consolidate its RWK associate in West Germany, by which time its £1.3m associate losses ought to be turned into reasonable profits, but in the current year it should easily outdistance its record £47.3m pre-tax of 1979: a possible £55m would put it on a fully-taxed prospective multiple of around 18.5 at yesterday's price of 378p, where the yield is 3.9 per cent.

Eastern Produce

Eastern Produce (Holdings), the tea and rubber estates company, is to raise about £2.75m before expenses by the issue of this amount of 10½ per cent convertible unsecured loan stock 1997-2002 at par by way of a rights to ordinary holders and warrant holders.

The terms are £1 nominal of the stock, payable in full, for every four ordinary shares and £3m nominal for every four warrants. The stock will be convertible from 1987 to 1997 at the rate of 100 ordinary 50p shares for each £120 of stock.

Lawrie Plantations which hold just over 16 per cent of the equity is to underwrite all but £1.11m of the issue which it and Walter Duncan Goodricke, holder of a 26.36 per cent interest, have irrevocably undertaken to subscribe.

Dealings in the stock provisionally allotted are expected to begin nil paid today, with May 12 the deadline for acceptance.

● comment

The Eastern Produce issue offers a useful coupon and, with shares yesterday trading at 123p cum dividend, there is no premium for conversion. A good response can, therefore, be expected though the size of the issue will restrict its marketability. The company's shares are currently trading around their ten-year peak following a strong profits advance reported for 1982. Because of the cyclical nature of the main part of its business the timing of a conversion will be somewhat dictated b ythe trading cycle.

A. G. Stanley dives as customers seek low prices

A SEVERE downturn from £2.16m to £97,000 in pre-tax profits is reported by A. G. Stanley Holdings, the Fads paint and wallpaper manufacturer and retailing group, for the 12 months to January 1 1983.

No final dividend is being paid, leaving the interim of 1p as the only payment—last year's total was 2.5p with a final of 1.5p.

Commenting on the figures, Mr Malcolm Stanley expresses his disappointment, particularly in view of the modest optimism shown at the half-year stage. He says: "From September onwards, we found it increasingly difficult to meet our retail sales targets, and the fourth quarter was one of the worst I have experienced."

He says customers are looking for "low, low prices. A high level of service and an up-market in store atmosphere are not their major priorities."

Group turnover rose from £52.13m to £53.84m during the year. Trading profit fell from £3.46m to £1.58m before depreciation and interest. Depreciation was unchanged at £1.48m, and interest charges took £424,000 (£362,000). There was a profit of £412,000 (£538,000) on the sale of properties, which is included in the pre-tax figure.

Tax was substantially higher at £661,000 against £294,000.

There was a loss per 5p share of 2.22p (earnings 7.35p) on a net basis, and earnings of 0.68p (7.35p) on a nil distribution basis.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering *dividends. Official indications are not* available as to whether the dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims: Boram Holdings, S. Caskat, Free State Geduld Mines, McKechnie Brothers, President Brand Gold Mining, President Steyn Gold Mining, Welkom Gold Mining, Western Holdings, Woolworth Holdings.

Finals: Aquascutum, Bardsey, Camrex, Clarke, Nickolls & Coombs, Horace Cory, Dunlop, East Rand Gold and Uranium, Fleming Universal Investment Trust, Garfunkels Restaurants, General Scottish Trust, Grampian Television, Highcroft Investment Trust, Laporte Industries, Lunuva (Ceylon), F. J. C. Lilley, M.Y. Dart, Mitel Corporation, Owen Owen, Harold Perry, Scottish Mortgage Trust, R. Smallshaw (Knitwear), Supra.

FUTURE DATES

Interim—	
Grampharm	May 9
Finals—	
Aero Needles	Apr. 28
Ambrose Investment Trust	May 18
Blue Circle Industries	Apr. 28
Clayton, Son	Apr. 29
Fleming Far Eastern Investment Trust	May 6
Long and Hambly	Apr. 29
Pochin's	Apr. 28
Rush and Tompkins	Apr. 26
Sunlight Service Group	Apr. 29
Wingate Property Invests.	Apr. 25

Wade Potteries interim upsurge to £260,521

FOR THE six months ended January 31 1983, taxable profits of Wade Potteries, manufacturer of ceramic products, jumped from £61,785 to £260,521 and directors believe that this "encouraging trend" will continue throughout the second half, with a consequent gradual *increase in profitability.*

Directors say that prospects merit a modest increase in the dividend and have lifted the net payment from 0.5p to 0.55p—last year's final was 1.5p and pre-tax profits totalled £183,454.

They now say that this demand has continued and that turnover for the first six months went ahead by almost 20 per cent to £5.68m (£4.75m).

Profits included investment income but were subject to tax of £73,108 against £29,153. After preference payments of £20,924 (same) the attributable balance was £166,489, much higher than last year's £1,708.

Stated net earnings per 10p share are well up at 1.63p, against 0.0167p.

THE MANAGEMENT PAGE: Marketing

EDITED BY CHRISTOPHER LORENZ

Jaguar: a renaissance in the U.S. creates a new marketing challenge

BY PAUL TAYLOR, RECENTLY IN LEONIA, NEW JERSEY

SOARING Jaguar sales are helping bring BL back from the dead in the tough U.S. car market. But they are also presenting a new challenge to the company's marketing executives who have not for a long time been used to dealing with a problem of success.

Two years ago BL, the UK car manufacturer, decided to end marketing its MG, Triumph, Rover car range in the U.S. It was, according to BL executives in the U.S., "touch and go" whether BL would retain a presence in the U.S. car market at all at that stage.

"They were trying times and it was not clear whether the company could survive," says Michael Dale, vice president in charge of sales and service at Jaguar Inc—as BL's U.S. subsidiary has been called since the start of February.

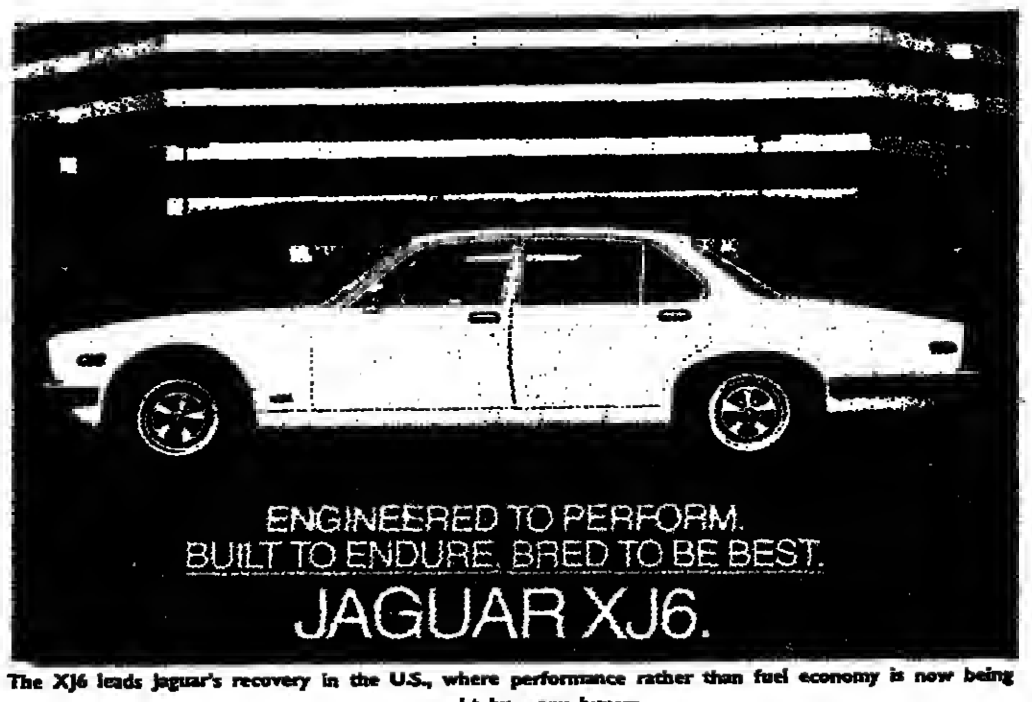
Today, however, the trend in the U.S. car market is back towards performance (and away from emphasis on economy), a development which has undoubtedly helped Jaguar to boost its sales dramatically.

Last year Jaguar sold 10,349 cars in the U.S. with a starting price tag of $30,500 for the XJ6 model, a 120 per cent increase over 1981. This year, with another record 2,958 cars sold in the first three months alone (up 60 per cent on the first quarter of 1982) sales are on target for 12,000. In contrast, in 1980, BL sold just 3,029 Jaguars in the U.S.

Graham Whitehead, BL's chief of operations in the U.S., calls the performance "a breakthrough for the entire company," and adds that it is "dramatic evidence that our efforts in the past few years have paid off."

Yet the speed of the "turnaround" has taken even the marketing people at Jaguar Inc's headquarters at Leonia, New Jersey, by surprise and the company now faces the problem of controlling expansion so it does not run ahead of UK production. The U.S. is now accounting for the sale of about two of every three cars rolling off the BL Jaguar production line in Coventry.

Picking up the market trend towards performance Jaguar stresses in its advertising that its cars are "Engineered to perform. Built to endure. Bred to be best."



The XJ6 leads Jaguar's recovery in the U.S., where performance rather than fuel economy is now being sought by many buyers

Its customers, it feels, are looking for style, performance and quality and the company knows where to look for them —"the word is out on the cocktail circuit and that is where these cars are sold now."

The advertising budget, $8m this year, is being kept under tight control and is proportionately linked to actual sales. It will be spent mainly on national advertising in newspapers such as the Wall Street Journal, magazines like Business Week and Fortune, specialist car magazines and professional journals.

The ads in professional magazines, particularly those for lawyers and doctors, are interesting because they pinpoint a particular niche which Jaguar is attempting to exploit. Jaguars are not principally "company cars" in the U.S.—they are bought by wealthy individuals. Indeed, the profile of the Jaguar customer is a man or woman with an income of £100,000 plus a year and a yearning for a luxury car which is reliable, elegant and fast.

The company's other promotional activities include racing; Jaguar enters, and wins, a number of U.S. racing championships. And local owners' clubs which are actively supported by the company further reinforce the "enthusiasts" image of the car.

In its efforts to make itself a sleeker operation in the U.S. Jaguar has set about weeding out less productive dealerships and recruiting new dealers in potential growth areas. The effects have been dramatic—for example, a new dealer recruited in February in Atlanta sold more cars (16) in its first month than had ever been sold in Atlanta.

Also, in order to increase its "hit rate" with browsing showroom customers it is introducing a computerised production monitoring system which allows a salesman to give a customer an allotted car "number" and then track that particular car down the production line and across the Atlantic.

I't-aregpu

Ironically though, the more Jags that are sold in the U.S., the more in "penalty" payments the company has to pay because its range does not match up to federally imposed Corporate Average Fuel Economy (CAFE) standards.

Under these provisions a manufacturer's car range is expected to have an average fuel economy of 26 miles per gallon this year. Jaguar, whose three models have an average fuel economy of 18.8 miles a gallon, will have to pay at least $4.2m in "fines" this year if it sells 12,000 cars. This is a price Jaguar and BL is paying for abandoning the small car market in the U.S.

Nevertheless, Dale says "it is a cost of doing business here." Jaguar does not like the rule but has little choice but to accept it. In order to bring the average mpg down to the target BL would have to sell "at least 30,000 Metros in the U.S." and there is little prospect that BL is about to try to crack that section of the market. Thus Jaguar is resigned to paying the penalty for the foreseable future even though it is introducing more fuel-efficient engines.

Cut and thrust in the long grass

Feona McEwan on the re-kindled dispute between Britain's major mower makers

IT'S duels-on-the-lawn again. The star attractions, Qualcast and Flymo—sworn rivals for the lucrative mower market—have sharpened their blades and are again locked in what has become an annual combat. A spin-off from this high profile bickering has been that sales of mowers last week, abetted no doubt by good weather, jumped by 35 to 40 per cent on the same period last year.

We've had Qualcast's knocking copy (on television), Flymo's subsequent complaint, the public challenge by Qualcast to a showdown with rival machines, the rebuff by Flymo, the claims and counter-claims The air this past 10 days has been thick with salvos in a bitter marketing battle.

Most recent was the Qualcast challenge to test the two machines publicly in the grounds of Stoke Mandeville Hospital, at Aylesbury, Bucks, in front of the independent Production Engineering Research Association as referees. In the event Flymo failed to turn up, calling the idea a cheap publicity stunt. Qualcast claimed the results to be in its favour.

Meanwhile, the Independent Broadcasting Association, television's watchdog, has responded to the Flymo complaint by requiring some changes in Qualcast's television advertising copy.

The battle cries of the two are familiar enough. They've become something of a habit in recent years as the gap between the two narrows in terms of market share. The Advertising Standards Authority, which is the watchdog for Press, posters and cinema, reports three instances of competitor complaints between the mower giants.

Qualcast claims to have, by last year's figures, just under 50 per cent of the power mower market in the UK and gives Flymo around one third. Flymo believes, on last year's figures, it has around 35 per cent, with Qualcast 32 per cent and Black and Decker around 20 per cent. The total market in the UK is reckoned to be some 1.2m to 1.3m units a year worth £60m.

The current round of the battle stems from the advertising stance adopted by Qualcast, makers of a cylinder mower in a world increasingly switching to rotary. Through its agency Wight Collins Rutherford Scott, Qualcast back in 1980 adopted the "less bovver than a hover" approach.

The reason for making a direct comparison, says Qualcast marketing director Peter Mostyn, was the result of what its research told the company. "The majority of people buying lawnmowers don't have the chance to test them first," he says. "We found that people were impressed by the appearance of the hover—it's beautiful looking, floating on a cushion of air and so on in comparison with the more familiar cylinder machines. They took the cylinder's looks to mean not as good as a hover . . . but when we asked them to try out both a tremendous majority changed their minds. So we reckoned we had the best product, only people didn't realise it."

Opportunistic advertising by Qualcast followed its challenge last week to test its own mower against Flymo's—Flymo boycotted the event.

Un-comparative copy advertising which it tried initially was unsuccessful in underlining the product differences.

Hence the direct advertising comparison that followed. Where Qualcast fell foul of the IBA was in its representation of the rival machine. Following the IBA ruling this week demanding a "small but significant change" in its television copy-line, four words have been added specifying the height of cut of the Flymo XE28 shown in the ad (which compares it with the Qualcast Concorde RE30S). The words "a new kind of hover" used by Qualcast were also removed, upholding Flymo's claim that the XE28 was in fact not new—its latest model, which it regards as a "breakthrough," is the XE38. Having adjusted the copy Qualcast plans to put the ad back on air immediately—"it's a matter of deleting five words and adding four," comments Qualcast. However, Flymo, a subsidiary of the Swedish Electrolux group, is still fighting and will appeal.

"They're deliberately showing Flymo in the worst light," maintains Peter Bullock, Flymo's managing director, who regards the technique demonstrated on screen of cutting grass in one sweep as unfair. In his view everyone knows that to cut long grass you do it in stages for a neat finish.

"We see this as an act of desperation. No one in their right minds would advertise a competitor's product like this. It's crazy." In a world it sees as being overtaken by rotary machines, cylinders are in their "death throes," Flymo maintains. Certainly cylinders have felt the cold wind of market share erosion worldwide with the arrival in 1965 of the precocious hover but in the UK at least there seems room for both.

Qualcast remains unbowed. It insists it is comparing like with like and, in answer to Flymo's beef that the XE28 does not represent "a new kind of hover," it replies that the latest XE38 machine is aimed at a different specialist market. (The Concorde RE30S and XE28 are both mass-market products.)

But Flymo is winning its own battles. Today it is being awarded the Queen's Award for Technological Achievement — for its robotised factory in Newton Aycliffe, County Durham, where robots process mowers right through from lumps of plastic and metal to the final boxing.

Last year it collected the Queen's Award for Export — with a heavy commitment to export between one third and one quarter of its production to countries overseas, including China and Japan.

Flymo's advertising strategy as seen in its campaign by J. Walker Thompson shows the mowers to be lighter, quicker and easier to use than anything else. It focuses on the new XE38 "which vacuums the grass as it cuts," giving a well manicured look that has escaped Flymo until now. Although Flymo won't divulge its advertising spend at such sensitive times, it reckons Qualcast outspends it by 2½ times "and still their market share has declined." The hover company attributes its increasing success over the years to high technology ("We're leaders in the field of robotics") and high product development (the latest, it says, is a world beater with far reaching implications).

But the duel is by no means over, and if both sides run true to form we can expect plenty more bovver in the marketplace.

TECHNOLOGY

EDITED BY ALAN CANE

NEW CLASS OF PORTABLE DEVICE EMERGING

Bright future for the 'carry away' computer

BY LOUISE KEHOE IN SAN MATEO, CALIFORNIA

PERSONAL COMPUTERS quickly become a way of life—or at least a way of work—for their owners.

Once hooked upon the delights of a computor, it is difficult to work without one. What happens then, when the user must work away from his office, on a business trip or at home?

Robbed of the convenience of swift access to files, cut off from the familiar and forgiving keyboard of the word processor, the computer junkie faces a cold world alone.

To carry the conveniences of a personal computer with them, many business people are turning to "portable" computers. A Vutil recently personal computers came in two varieties. There were "hand-held" units not much bigger than a calculator, that offered significantly lower performance and features than a desk-top unit (though at a lower price). Examples are the Hewlett-Packard HP 75c, the Panasonic Link and the Radio Shack portable. At the other end of the scale came "transportable" computers, such as the Osborne, that at around 20 pounds in weight are not convenient to carry but can be moved around if needs be.

The performance of these machines matches that of similar desk top machines, although some compromises such as the size of the video screen and the lack of a printer must be made.

A new class of portable computers heralded by the Epson HX-20 and the Grid Compass is now emerging. These portables merge the advantages of the desk-top performance with the hand-held's portability.

According to U.S. market analysts at InfoCorp, the market for portables of this variety will soar from its current level of sales of around 2,000 units in 1982 to over 750,000 units valued at $2.3bn by 1987. Less expensive hand-held computers will also be a fast growing segment of the mobile computer market, say the researchers. They expect to see a $630m market for those machines by 1987.

"The high predicted growth in the handheld and portable categories will detract from that in 'transportable' computers. These suitcase-size computers are now growing rapidly in sales, but this market will peak in 1984," predicts InfoCorp president, Mr Richard J. Matlack.

The new generation portables have several features in common. First, they fit into an average size briefcase, second, they have full-size (or close to it) keyboards that enable users to touch-type, and third, they have communications capabilities so that they can receive or transmit data to other computers.

Two such machines have recently been introduced in the U.S. Tandy Corporation delivered demonstration models of its new "model 100" to stores around the U.S. last week. The model 100 which is priced at $795 is a notebook size machine that can adequately perform most of the computing tasks that a traveller might require.

Text editing, communications, calculating and a simple filing system for phone numbers and addresses are all built into the machine in the form of a rom (read only memory) capsule. The unit runs on battery power, but can be plugged in using a standard adaptor.

Eight lines of 40 column text are displayed on the liquid crystal display screen which can also produce some attractive graphics for charts and graphs. As with all liquid crystal displays the angle from which it is viewed is critical, and it must be shaded from ambient light.

One problem with small computers is that the purchaser seems to pay a lot for a little machine, no matter what its capabilities. The model 100 is expensive compared to desk top units of similar performance.

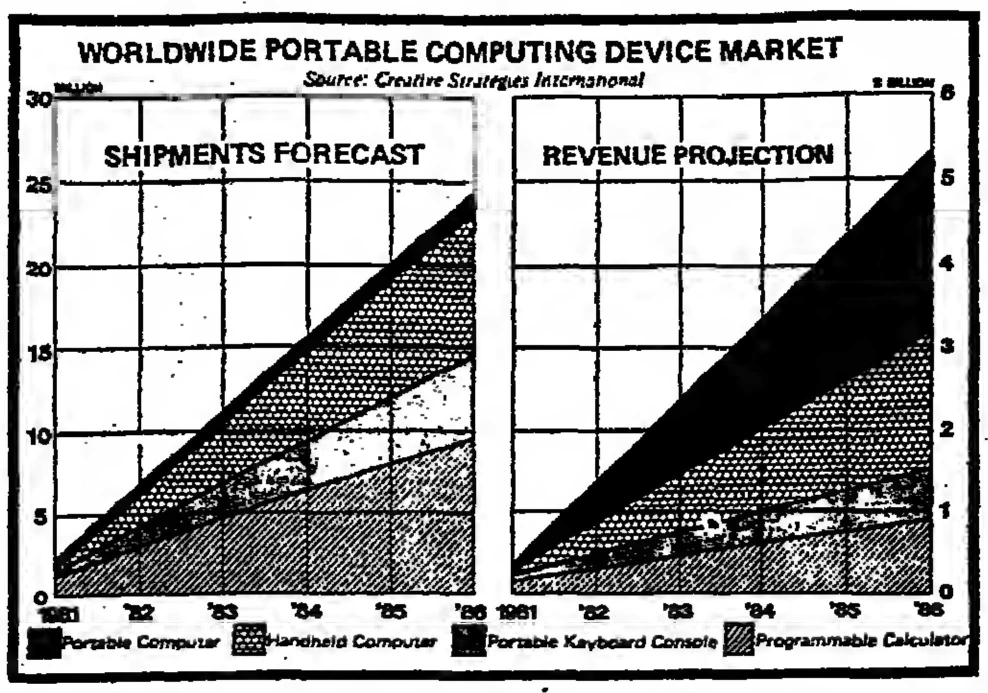
"Portable computers such as the model 100 should not be compared to other types of personal computers. They will be used in a different way," suggests Mr Paul Heckel, president of QuickView, a start-up company that is developing software packages for the model 100 and Epson HX-20. He sees the portables gaining acceptance as on-the-spot notetakers, as electronic address and phone files to be used on the desk possibly alongside another computer, and for expense account calculations—an important business travel application.

Another impressive new portable is about to be introduced by Gavilan Computer Corporation of Campbell, California. The start-up company, founded a year ago by the former president and chief executive of Zilog, Manny Fernandez, plans to announce its "mobile office" computer next week.

The "Gavilan" (named after a range of mountains near the company's offices) is a briefcase computer. The 11-in by 11-in by 2-in units weighs nine pounds. The $4,000 computer offers several new features. Top of the list is a touch sensitive panel that moves a pointer on the screen to the file or item desired. This replaces "special function keys" used on some computers (including the Tandy model 100) or a mouse (as used on the new Apple Lisa).

The Gavilan has an 8 line, 66 character liquid crystal display and 32 K bytes of built-in memory. A modem is included in the unit as is one three-inch micro floppy disk drive.

One of the issues facing the many personal computer users considering the purchase of a portable is compatibility with their desk top computer. Ideally, a portable unit should be compatible so that data stored on the portable can be read by the desk top unit when the user returns to his office. So far, none of the machines available offer that degree of compatibility. Such machines are however believed to be in development. IBM is widely rumoured to be developing a portable machine called "Peanut," that will run programs designed for its desk-top personal computer. And Apple computer is reported working on a $500 portable version of its popular Apple II, though the company says this is a long term project.



Portable pioneer makes second offering

THE INNOVATIVE "Osborne Computer" started the trend toward portable computers. Earlier this week Osborne Computer introduced its second product. The "Osborne Executive" is an upgrade of its predecessor that disappointingly shows little imagination beyond that of the "Osborne One."

The new Osborne Executive looks much like the original Osborne. It has the same grey carrying case and would not win any prizes for style. The $2,495 system has, however, been upgraded in several ways to make it more competitive with the latest desk-top personal computers.

Osborne aims to attract "Fortune 1000" corporate purchasers with the new machine. The Executive will come with a range of business software as well as programming languages which Osborne claims are alone worth $2,000, all included in the basic price.

"Peripherals" such as disk drives, display, and sockets to plug in printers or communications lines are built into the system.

"Large companies like to buy a personal computer in the same way that they purchase any other piece of office equipment. They do not want to have to go to different vendors to buy accessories or software," says Osborne.

New on the Executive is a 7 ins amber video display, a major improvement over the 5 ins display on the Osborne one. Other upgrades are the 128k bytes of built-in memory and double density disc drives that provide higher storage capacity. The operating system has also been improved. The Executive uses CP/M+, a new version of the standard CP/M used on the original Osborne.

A major question concerning the Osborne, however, is its portability. "It is office to car portable," suggests the company, but they concede that it is "not for running through airports."

"Osborne is not really offering a portable computer, it is a low cost CP/M machine," suggest industry analysts, who question the validity of the "portable computer" claim by Osborne.

To compete with newcomers in the mobile computer market such as Corona and Compaq that offer machines compatible with the IBM personal computer, Osborne has announced an IBM compatible version with an 8088 processor board added to the standard 8-bit Executive.

A price has yet to be fixed for the IBM-compatible version and the company has yet to decide whether it will offer field upgrades of non-compatible systems.

Also to follow the Executive is a package of communications software that will allow the personal computer to exchange data with mainframe computers. This will be a major selling point for corporate buyers, Osborne hopes. The extra software will cost around $2,000, but Osborne plans to offer user licences to major customers.

An optional extra for the Executive is a modem that slots into the machine. The "Comm-pac" will sell for $265.

At Osborne's headquarters in Hayward, California, a near panic frenzy of excitement among the 850 employees preceded the "launch" of the Executive. "This is a first for us, announcing a computer that is already in production," quipped a senior engineer. The plant started turning out Executives 10 days ago. Initial orders will account for three months' production. The company expects to make 6,000 to 8,000 machines a month. Last year Osborne is estimated to have shipped 80,000 units of its Osborne One.

Osborne chairman and founder Adam Osborne says that his company is currently production limited, but he is planning to begin offshore manufacture, possibly in Europe.

Point-of-sale

Checking bar code integrity

A UNIT known as The Inspector, about the size of a cigarette packet, can be used to determine if a printed bar code is readable and can also feed the collected data into point-of-sale equipment such as electronic cash registers and computers.

The unit, made by RJS Enterprises of California, is available in the UK from Kings Town Photocodes of Beverley, the supplier of bar code film masters and verification equipment (0482 8673221).

It measures only 4.25 x 2.5 x 1.25 inches and has a 16-digit liquid crystal display. It will scan numeric and alphanumeric codes of from five to 32 digits in UPC/EAN, Codabar, Interleaved 2 of 5 and Code 39 bar codes.

It sells at £749 complete with two batteries or at £825 with an RS232 interface enabling it feed almost any computer equipment.

Radio

Low cost transceiver launched

A LOW-cost VHF transceiver put on the market by Racal Tacticom offers pre-programmed selection of nine channels from over 2000 (25kHz spacing).

Known as the PRM 4700A, the radio covers the 30 to 88MHz frequency range and has manpack, base station and vehicle applications.

The modular unit, weighing 2.5kg, produces a switchable power output of three watts or 100 milliwatts—especially useful in electronic warfare conditions to give low probability of intercept in close support conditions. Battery life is also conserved.

The power output of the unit can be increased still further by the addition of a 25W power amplifier to form a high power static or mobile 12 or 24-volt station.

Re-broadcast facilities are also available and the unit can accept 16 kilobit digital signals allowing the use of an optional clip-on encryption unit. More on 0734 782158.

Video

Interactive systems 'to grow'

SALES OF interactive video-disk systems—video systems where the viewer can react to and modify what is happening on the television screen—in industrial markets will increase five-fold to $210m (constant dollars) in 1987 for only $35m last year, according to a new U.S. report.

Entitled Interactive Videodisk Hardware Market in the U.S., the report is from the consultancy Frost and Sullivan and costs $1,275.

There is a detailed analysis of the products and marketing strategies of existing player and system suppliers, as well as interface manufacturers.

The report says about half the 100,000 units sold in 1987 will be combined with microprocessors in an integrated system selling for about $3,500.

The report is available from Frost and Sullivan on 01-486 8377 in Europe, (212) 233 1080 in the U.S.

Displays

Colour data terminal

A FULL-SIZED colour terminal has been launched by Applied Digital Data Systems to complement its range of Viewpoint display terminals. Designated the Viewpoint/Colour the terminal is compatible with the company's existing 40 and 60 models.

The device offers the choice of eight foreground and eight background colours. Full international character sets with English, German, French, Spanish, Swedish and Danish founts are available. More details on 01-949 1272.

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Financial Futures Fd.	121.8	126.8	..	—
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NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix refer to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. Z Previous day's price. ¶ Guernsey gross. # Suspended. ♦ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies. ♦ Yield column shows annualised rate of NAV increase.

INTERNATIONAL CAPITAL MARKETS

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices which is published monthly. The following are closing prices for April 20.

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Amex O/S Fin 10⅞ 90	100	97⅝	98⅛	-0⅛	-1⅛	10.89
Amro Bank 13 89	200	107⅛	107⅝	-0⅜	-0⅜	11.30
Bank of Tokyo Hold 11 90	100	98⅞	99⅜	-0⅞	-0⅜	11.19
British Col Hyd 10¼ 88	200	98½	99	-0¼	0	10.58
British Col Hyd 15¼ 92	150	118⅝	119⅛	-0⅜	-0⅞	11.78
Canada 14⅞ 87	750	111¾	112¼	-0⅛	-0½	10.62
Canadair Ltd 12½ 89	175	106⅞	106⅜	-0¼	-0⅜	11.80
Canadian Wheat 11¼ 90	50	101½	102	-0⅛	-0¾	10.87
Can Pac Sec 15 89	75	109¾	110¼	-0⅜	-0⅞	12.57
Coca Cola Int 9⅞ 92	100	25¼	25¾	-0⅛	-0¼	10.64
Coca Cola Int 11¾ 89	100	104⅞	105⅜	-0⅛	-0⅛	10.58
Credit Suisse BHA 10½ 90	150	100	100½	-0⅛	-0⅛	10.44
Credit Suisse 10½ 89	100	107⅜	102⅛	-0½	-0¼	10.08
Deutsche Bk Fin 14¼ 89	300	112¼	112¾	-0⅛	-0⅛	11.34
Du Pont 11¾ 89	150	102¾	103¼	0	-0⅜	10.77
Du Pont 14⅛ 89 WW	200	108½	109	-0¼	-0⅛	12.03
E.D.C. 10⅜ 88	100	100¼	100¾	-0⅛	-0⅜	10.58
E.D.F. 12¾ 87	150	104	104½	-0⅛	-0⅜	11.44
E.E.C. 10¾ 95	75	96½	96⅞	-0⅛	-0⅛	11.31
E.E.C. 11½ 95	200	99½	100	-0¼	-0⅛	11.52
E.I.B. 11 91	125	99⅛	99⅝	-0⅜	0	11.11
E.I.B. 15½ 92	100	114⅛	114⅝	-0⅜	-0⅜	12.71
Exp Dev Corp 11¾ 87	100	102⅞	103⅜	-0¼	-0⅛	10.80
Forsmarks 13¾ 92	75	107¼	107¾	-0⅛	-0¼	12.33
Gaz de France 12¼ 93	175	21⅛	21⅝	-0⅛	-0⅜	12.00
Gen Elec Credit 9⅝ 91	100	15⅛	15⅝	0	-0⅛	10.60
Gen Elec Credit 12 89	100	107	107½	-0⅛	-0⅛	10.37
GMAC O/S Fin 10½ 90	200	99	99½	-0⅛	-0½	10.84
GMAC O/S Fin 10 87	100	110	119½	-0⅛	-0¾	11.66
Gulf Oil Fin 12¼ 87	100	104⅜	104⅞	-0⅛	-0¼	10.84
Honeywell Int 10¾ 90	100	98⅝	99⅛	-0⅛	-0⅜	10.98
IBM World Trade 12¼ 92	200	110⅛	110⅝	-0¼	0	10.44
Manitoba Prov 11¾ 89	125	103⅝	104⅛	-0⅜	+0⅛	10.86
Manitoba Prov 13¾ 89	100	108⅝	109⅛	-0¼	-0⅛	11.51
Midland Int Fin 11½ 93	150	101⅜	101⅞	-0¼	-0⅞	11.19
Nat West Fin 11¾ 92	150	103⅜	103⅞	-0¼	-1⅛	11.09
New Brunswick 15¼ 87	75	111⅛	111⅝	-0⅜	-0½	11.67
Newfoundland 15½ 96	75	114⅝	115⅛	-0¾	-1	12.27
Nippon Credit 11¼ 93	100	98¼	98¾	-0⅛	-0⅛	11.50
Nova Scotia Prv 10¼ 89	75	113¾	114¾	-0⅛	-0¼	11.89
O.K.B. 10 91	100	95¾	95¼	0	-0⅜	10.85
Ontario Hydro 11¼ 89	200	103⅜	103⅞	-0¼	-0⅛	10.55
Ontario Hydro 12¾ 92	200	107⅜	108⅛	-0½	+0¼	11.30
Ontario Hydro 15 92	150	117½	118	-0⅜	0	11.73
Prudential O/S 10⅝ 93	100	99⅞	100⅜	-0⅛	-0¼	10.60
Prudential O/S 12¾ 87	150	107⅛	107¾	-0⅛	0	10.52
Quebec Hydro 11½ 92 D	100	102⅜	102⅞	-0⅛	-0¼	11.02
R. J. Reynolds 12¾ 89	100	105⅞	106⅜	-0⅛	+0⅛	11.32
Saskatchewan Pr 10¾ 90	125	99¼	99¾	0	-0¼	10.85
S.N.C.F. 11½ 93	100	99⅞	100⅜	-0¼	0	11.47
Swiss Bk Corp 10¼ 90	125	101¼	101¾	-0¼	-0¼	5.91
Texaco Capital 9¾ 93	150	95⅝	96⅛	-0⅛	-0½	10.61
U.B.S. 11 89	150	103⅛	103⅝	-0⅛	-0¼	10.24
Walt Disney Pro 12½ 89	75	106	106½	-0⅛	-0¼	10.98
World Bank 10⅜ 88	150	98⅞	99⅜	-0¼	0	10.61
World Bank 10⅞ 93	100	99⅛	99⅝	-0⅜	0	10.98
World Bank 11⅜ 98	100	98⅞	99⅜	-0⅜	+0⅛	11.23

Av. price changes: on day -⅛, on week +¼

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Aeroport Paris 8⅛ 92	80	100⅞	101⅛	0¼	0	8.10
Australia 6⅞ 93	200	99	99½	-0⅛	-0⅛	6.98
Australia 7¾ 92	200	103⅞	104⅜	-0⅛	-0⅜	7.11
Bank of Tokyo 7¼ 90	100	99½	100	-0¼	-0½	7.29
Bayer Capital 7⅝ 89	150	104⅞	105⅜	0	+0⅜	6.80
Caisse Nat Energie 8 93	100	99⅞	100⅜	-0⅛	-0¼	7.97
Caisse Nat Tele 7¾ 93	200	99	99½	-0¼	-0¼	8.01
E.C.S.C. 7½ 93	150	99⅛	99⅝	0	0	7.58
E.E.C. 7¾ 95	200	99⅞	100⅜	-0⅛	-0⅛	7.73
E.E.C. 8 94	200	100¾	101½	-0⅛	-0⅜	7.84
Eurofima 7½ 91	100	101⅝	102½	-0¼	-0⅜	7.28
Ferrovie Dello 8¾ 88	150	102⅞	103⅜	0	-0⅛	8.07
Gould Int Fin 8¼ 89	75	103⅝	104⅛	+0½	+0⅛	7.58
H.J. Heinz Int 6⅝ 88	50	100	100½	-0⅛	-0⅛	6.65
Int-Am Dev Bk 8¼ 93	150	100⅞	101⅜	-0⅛	-0⅛	8.07
Ireland 8½ 90	150	101⅜	101⅞	-0¼	-0⅛	8.17
Ireland 8⅞ 91	150	101¾	102½	-0¼	-0⅛	8.48
ITT Antilles 7 93	200	97⅜	98⅝	-0⅛	-0⅛	7.27
McDonalds Fin 7¼ 92	100	101½	102¼	-0⅛	+0¼	6.85
Mitsui O.S.K. 7¾ 88	100	100⅜	100⅞	-0¼	+0⅛	7.08
Mount Isa Fin 7⅝ 96	100	97⅜	98⅛	-0⅛	-0¼	7.98
Quebec Hydro 8 93	200	102½	103	-0⅛	-0¼	7.59
Sweden Kingdom 8¼ 89	150	102	102¾	-0⅛	-0¼	7.77
Volkswagen Int 7¼ 93	200	97⅞	98⅜	-0¼	-0¼	7.52
World Bank 7¼ 93	200	97⅞	98⅜	-0⅛	-0⅜	7.52

Av. price changes: on day -⅛, on week -⅛

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Air Canada 5½ 95	100	99	99½	+0⅛	+0⅛	5.92
American Express 4¾ 93	100	97½	98	-0⅞	-0⅞	5.04
Asian D.B. 5⅞ 95	100	99½	99¾	0	-0½	5.02
BTR Finance 5⅝ 93	75	98¼	98½	0	0	5.84
Carls-Tetborg Brw 5⅝ 93	80	103	103¼	+0⅜	+1⅛	6.34
Chugoku Ele Pow 6⅛ 91	100	103½	103	-0⅜	-0⅜	5.67
[illegible] Co 5⅞ 93	50	98	98¼	+0¼	0	6.13
E.I.B. 5¾ 93	100	99⅝	100¼	+0⅛	-0½	5.75
Ex-Im Bk Japan 5 93	100	97¾	98	-0¼	0	5.28
First Interstate 5 92	100	103⅜	104¼	+0⅜	+0⅜	5.45
Fuji Electric Co 5 93	100	100⅛	100⅝	-0⅛	+0⅜	5.93
Gothenburg Airport 6 93	50	100½	100⅞	0	+0⅜	5.91
HCA Finance 5 93	100	57½	57¾	-0½	+0¼	5.31
Manitoba Prov 5⅞ 93	100	101	101½	-0⅜	-0⅜	5.65
Nippon Express Co 6 93	50	100½	101	-0⅜	-0⅝	5.85
Nippon Kokan 5⅝ 93	100	95⅝	96	-0½	-0½	6.29
Norsk Hydro 5½ 98	100	98½	98¾	+0¼	+0¼	5.64
O.K.G. 6¼ 93	80	102½	102¾	0	-1	6.37
Quebec 5¾ 92	100	102¾	103	-0¼	-0¼	5.36
Shikoku Elec Pow 5⅞ 93	100	98	98¼	0	+0⅛	5.88
Tohoku Elec Power 8 93	100	100⅜	101	0	-0½	5.90
Transcanada Pipe 5¾ 93	100	99	99¼	-0⅛	0	5.87
Texas Corp 8¼ 91	100	101⅜	101½	+0⅜	+0½	6.03
Union Bk Norway 5⅞ 93	80	97⅜	98⅛	-0⅛	-0⅛	5.64
Volvo 5⅝ 91	80	102	102¼	+0⅛	+0½	5.85
World Bank 6½ 93	100	100⅜	100½	-0⅜	-0¼	5.45

Av. price changes: on day -⅛, on week -⅛

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia 8⅛ 92	15	105⅜	106½	0	+0⅛	7.74
E.I.B. 8¼ 92	15	102⅜	103	0	+0¼	7.83
Japan Airlines 7⅞ 87	9†	101¼	101⅞	0	+0⅛	7.40
New Zealand 7⅞ 88	15	100⅞	101½	+0⅛	+0⅜	7.32
World Bank 8⅜ 92	20	103⅛	103⅞	0	0	7.81

Av. price changes: on day 0, on week +⅛

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Cepme 12½ 90 CS	50†	98½	99	+0⅛	-0½	12.76
Farm Credit 12⅞ 93 CS	50†	101½	102	+0⅜	+0⅜	11.81
Gaz Metro 14½ 92 CS	40†	102¾	103¼	-0⅛	-0⅛	13.87
Interprov Ppe 12⅛ 93 CS	50†	98½	99	0	0	12.47
Pancanadian 12½ 93 CS	50†	99⅜	100⅛	-0⅛	-1	12.48
Quebec Hydro 14 92 CS	50†	107⅛	107⅝	+0⅜	+0½	12.57
Swed Exp CR 12¼ 88 CS	50†	102½	103½	+0⅜	+0⅜	11.38
E.I.B. 11¾ 91 ECU	60	99½	100¼	+0⅜	-0⅞	11.82
Quebec Prov 11½ 89 ECU	50	96¾	97¼	0	-0⅞	12.29
Amfas 9½ 87 Fl	60	104	104½	-0⅜	-0⅜	8.33
Austria 7½ 88 Fl	100	98⅞	100¼	-0⅛	-0⅜	7.46
Nederland Gas 7½ 88 Fl	100	100⅛	100½	-0⅛	-0⅜	7.48
Neder Midbk 9¼ 87 Fl	100	104¼	104¾	-0⅛	-0⅛	8.03
Quebec Prov 7½ 88 Fl	100	98⅞	99⅜	-0¼	-0⅛	7.71
World Bank 7 88 Fl	150	98	98½	-0⅛	-0⅜	7.44
O.K.B. 14 86 FF	400	99¾	100¼	0	+0½	13.83
Solvay & Co 14¾ 86 FF	200	100½	101¼	-0½	0	14.38
B.F.C.E. 14½ 87 £	30	107⅛	108	0	-1⅛	12.83
C.E.C.A. 13½ 88 £	20	105⅜	106⅛	-0⅜	-0⅜	11.94
C.N.T. 12½ 89 £	20	100⅜	101⅛	-0⅛	-0⅜	12.14
E.E.C. 11⅞ 91 £	50	99¼	100	-0⅛	-0⅜	11.93
Fin For Ind 12¼ 88 £	30	102⅜	102⅞	0	-1⅛	11.41
Fin Mat Oranj 12⅝ 92 £	30	100¼	101	-0⅛	[illegible]	12.58
Gen Elec Co 12½ 89 £	50	104⅜	105⅜	-0⅛	-0½	11.20
Hiram Walker 14¼ 86 £	25	106⅞	107⅜	0	0	11.25
Mort Bk Fin 11¾ 88 £	75	26⅜	27⅛	-0⅛	0	12.48
Norsk Hydro 12 98 £	30	107	101⅜	-0⅛	+0⅛	11.67
Norsk Hydro 14½ 87 £	30	107½	108½	-0⅛	-1⅛	11.93
Quebec 14½ 89 £	30	100⅜	108⅞	-0⅜	0	12.35
S.D.R. France 15½ 92 £	30	106⅞	107⅜	-0⅛	-1½	14.82
S.N.C.F. 11½ 89 £	30	96⅞	97⅜	-0⅜	-0⅜	12.12
Tenneco Int 14⅜ 87 £	30	107⅜	108⅜	-0⅛	-1½	12.15
World Bank 11⅞ 91 £	75	97	97⅜	-0¼	[illegible]	11.89
Euratom 11 93 LuxFr	500	102½	103½	+0⅛	+0⅜	10.48
Europarat 12½ 92 LuxFr	500	104¼	105¼	-0⅛	-0¼	11.61

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Bank of Tokyo 5¼ 91 (D)	0⅜	100¼	100¾	10/6	9⅝	9.70
B.F.C.E. 5¼ 88	0¼	99	99½	28/7	9⅛	9.32
B.F.C.E. 5¼ 87	0⅛	99⅝	100⅛	27/7	9.94	9.95
Caisse Nat Tele 5¼ 90	0¼	99½	100	21/4	10.56	10.59
C.C.F. 6¼ 95	0⅛	99⅝	100⅛	7/10	10.13	10.20
C.C.F. 5¼ 98	0¼	100	100½	24/9	9.94	9.91
Cepme 5¼ 88 WW	0⅛	99½	99⅞	3/6	5⅛	5.27
Cepme 5½ 92	0⅜	99⅜	100¼	18/8	9.94	9.94
Chemical NY 5¼ 94 ††	0⅛	100½	101	23/8	9⅜	9.88
Credit Agricole 5¼ 97	0⅛	99½	99⅞	24/8	10	10.04
Credit du Nord 5¼ 92	0¼	99¼	99⅝	23/8	10⅛	10.18
Credit Lyonnais 5¼ 93	0⅛	[illegible]	[illegible]	1/10	10.86	10.00
Credit Lyonnais 5¼ 94	0⅛	[illegible]	[illegible]	5/7	9⅝	9.79
Credit Nat 5⅝ 94	0⅛	[illegible]	[illegible]	9/8	9⅜	9.33
E.D.F. 5¼ 95 WW	0⅛	[illegible]	[illegible]	18/6	10	10.04
Kansallis Osake 5½ 92	0⅜	[illegible]	[illegible]	6/5	10.80	10.85
Long Term Cred 5¼ 92	0⅜	100	[illegible]	27/5	10⅛	10.11
J.P. Morgan 5¼ 97 S	0⅛	[illegible]	[illegible]	12/5	9½	9.41
New Zealand 5¼ 87	0⅛	[illegible]	[illegible]	7/10	10.06	10.01
NZ Steel Dev 5⅝ 92	0¼	[illegible]	[illegible]	22/6	10.19	10.15
Nippon Credit 5¼ 90	0⅛	[illegible]	[illegible]	19/8	9⅞	9.84
Scotland Int 5¼ 92	0⅛	[illegible]	[illegible]	23/5	9.94	9.89
Sec Pacific 5¼ 91	0⅛	[illegible]	[illegible]	24/5	10.06	10.01
Societe Generale 5¼ 95	0⅛	[illegible]	[illegible]	1/9	9½	9.54
Standard Chart 5¼ 91	0⅛	100	[illegible]	18/5	10.69	10.55
Sweden 5¼ 93	0⅛	[illegible]	100	3/8	10.18	10.21
Sweden 5¼ 89	0⅛	[illegible]	[illegible]	26/8	9⅝	9.84

Av. price changes: on day -⅛, on week 0

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
Ajinomoto 5½ 96	7/81	933	100⅛	101⅝	-0⅛	21.37
Bridgestone Tire 5½ 96	3/82	470	108½	110	-1⅛	4.21
Canon 7 97	7/82	748.2	135⅛	137⅛	-3¼	2.33
Fujitsu Fanuc 4½ 98	10/81	5614	116½	120½	-7	41.77
Hitachi Cable 5½ 96	2/82	515	98⅛	99⅜	-0⅛	8.74
Hitachi Credit Corp 5 96	7/81	1612	95⅛	97⅜	0	8.44
Honda Motor 5½ 97	3/82	738.5	116⅛	117⅜	-1⅛	8.21
Komatsu 5½ 98	9/81	229	[illegible]	87½	-0⅛	29.30
Kumagai Gumi 6½ 97	10/82	400	110⅜	112⅜	-0⅛	8.30
Kyowa Hakko 6⅛ 97	2/83	782	103⅜	104⅜	0	13.14
Marui 6 96	7/81	703.5	124⅛	125⅛	-0⅛	8.69
Minolta Camera 5 96	10/81	826.4	83⅛	84⅛	-2	46.11
Murata 5¼ 98	7/83	1971	119⅛	120⅛	-1	22.21
Nippon Electric 5½ 97	2/82	765.5	126⅛	128⅛	-0⅜	7.93
Nippon Oil Co 5¼ 98	4/83	964	96½	97½	0⅛	8.30
Nissan Motor 5⅛ 98	4/83	770	93	98	-0⅛	3.81
Olympus Optical 6⅛ 97	12/82	1331	102	103½	0⅛	18.97
Orient Finance 5½ 97	3/82	1285	106⅛	107⅛	-0⅛	37.18
Sumitomo Electric 5½ 97	3/82	577.3	99½	101	0	9.33
Sumitomo Metal 5⅛ 96	10/81	296.1	78⅛	80⅛	-1⅛	53.90
Fujitsu 3½ 93 SF	3/83	962	100	100	-0⅛	12.49
Sharp Corp 3½ 93 SF	3/83	1190	110	110⅛	0	-0.99
Konishiroku 6⅛ 88 DM	6/82	616	111⅛	112⅛	0	7.78
Mitsubishi Heavy 6 89 DM	2/82	263	107⅛	108⅛	-0⅛	15.90
Sun Realty 6⅛ 92 DM	2/83	385	123½	124½	-0⅛	-1.72

* No information available—previous day's price.

† Only one market maker supplied a price.

Straight Bonds: The yield is redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week = Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte = Date next coupon becomes effective. Spread = Margin above six-month offered rate (‡ three-month; § above mean rate) for U.S. dollars. C.cpn = current coupon. C.yld = current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg. day = Change on day. Cnv. date = First date for conversion into shares. Cnv. price = Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem = Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

European Options trading up sharply

BY WALTER ELLIS IN AMSTERDAM

AN "explosive" growth in turnover has been reported this week on the European Options Exchange (EOE). Mr Tjerk Westerterp, the exchange's founding director, announced that the one millionth option for 1983 had been traded in Amsterdam on Monday, nearly six months earlier than in 1982.

He pointed out that growth in turnover over the first three months of this year was up by 130 per cent on the previous opening quarter and attributed the rise to the surge in underlying share values on the Amsterdam Stock Exchange.

The Options Exchange recorded a profit for the second year running last year and is fast moving out from under the shadow of the stock market.

Mr Westerterp urged the Dutch Government to make it more attractive for investors to provide companies with venture capital by abolishing double taxation (corporate tax plus income tax) — a move which the cabinet is already considering — and by improving the tax climate generally.

He felt that income tax should not rise above 50 per cent of earnings and that a 23-25 per cent level would be enough, if incomes were taxed in proportion to their size.

Mr Westerterp said that a reduced rate of income tax would bring to the surface much of the "black money" which now circulates underground and halt the illegal outward flow of Fl 1,000 notes ($362) which has caused the central bank such concern in recent months.

Investment trusts head for record year in UK

By Eric Short

INVESTMENT UK unit trusts soared in the first three months of this year, buoyed up by the surge in world equity markets. The industry seems well on course for a record-breaking year.

Total sales of unit trusts to the end of March reached £658m ($888m). This is more than half the record of £1.16bn recorded for the whole of 1982.

Net new investment of £390m during the quarter was around two-thirds of total new investment of £590m in the previous 12 months.

The figures issued yesterday by the Unit Trust Association (UTA) show that the industry had one of its best ever months in March, with total units sales of £220.2m and net new investment of £123.6m, despite a near record level of repurchases of £96.6m.

Total funds managed by the unit trust industry climbed over £400m on the month to a record £9.12bn, representing both the new investment and the strong rise in equity markets.

This buoyancy contrasts with the other major forms of savings. National Savings figures during the first quarter have been hit by the ever-rising amount of cash-ins of index-linked National Savings certificates, known as Granny Bonds.

Building society investment in the three months has been stable, though down on the final quarter of last year and only half the level needed to meet existing mortgage demands.

Investment in bank deposits appears patchy but picked up in March.

Miss Audrey Head, the UTA's recently appointed chairman, reflected her pleasure at the continued buoyancy of the unit trust market. She considered the emphasis was still more in favour of overseas funds, particularly U.S. and Far Eastern funds.

Investors, however, are still putting money into UK funds, with preference for smaller company and recovery situation-based funds and in high income funds.

The yield offered by high income funds now compares favourably with that obtainable on building society ordinary shares. Investment in UK gilt funds remains steady.

DG Bank debut in Eurodollar market

By Mary Ann Sieghart in London

NEARLY $400m worth of bonds were launched on the Eurodollar market yesterday, making a total of over $750m in new issues so far this week.

Caisse Nationale des Telecommunications (CNT), the French state-run telecommunications company, is raising $250m through an eight-year floating-rate note, paying ¼ point over the London inter-bank offered rate (Libor).

Led by Banque Nationale de Paris, together with Merrill Lynch and Bank of Tokyo, the bond is priced at par and has a minimum coupon of 5¼ per cent. It seemed to be well received by the market yesterday, trading at a discount of around ¾ point, inside the 1 point total commission.

Japan Air Lines launched a $42.15m straight bond as part of a currency swap into yen. Guaranteed by the Japanese Government, the 15-year issue carries a 10⅞ per cent coupon at par, but a sinking fund reduces the average life to just under 11 years.

S. G. Warburg is leading the deal, together with IBJ International. Although the maturity is long for a Eurobond, the government guarantee was considered attractive and the bond sold within its 1⅛ point selling commission.

As expected, DG Bank came to the market yesterday with its $100m, seven-year, 11 per cent bond. The issue, which represents *its debut in the Eurodollar market*, was led by DG Bank with Goldman Sachs and Hambros-Bank.

The deal involves an interest-rate swap with two counterparties, and DG Bank is understood to have ended up with a floating-rate liability of about ⅛ point under Libor. Like the recent Commerzbank and Dresdner Bank deals, which had similar terms, it was trading in the pre-market at a discount of over 2 points — outside its gross commissions to the co-managers.

The dollar secondary market started off badly, losing about ½ point in the morning, but picked up again in the afternoon to close around ¼ point down on the day. The overnight Fed funds rate fell from 9 to 8⅝ per cent, which was encouraging news for investors.

Texaco buys Pogo leases

BY OUR NEW YORK STAFF

TEXACO has bought Pogo Producing Company's interests in 11 federal oil and gas leases on the outer continental shelf in the Gulf of Mexico for $125m. Exploratory drilling on ten of these properties has already found significant reserves of both natural gas and petroleum liquids.

As part of the deal, Texaco — which has been spending heavily on boosting its U.S. reserves — is buying a 4½ per cent share interest in Pogo, and agreed not to buy any more of its shares without Pogo's consent before 1986. Texaco already held interests of varying percentages in all of the blocks in which it has acquired Pogo's interests, and is the operator of seven of them.

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EEC to subsidise surplus grain for fodder, Page 45

WALL STREET

Vigorous response to GNP data

SHARE PRICES on Wall Street responded vigorously yesterday to the latest statistics on U.S. gross national product and to favourable results on first quarter trading by General Motors and several other major companies, *writes Terry Bylond in New York.*

The equity market, which had been edging forward during the early part of the session, rose strongly following the trading statement from General Motors and closed at new peaks.

The Dow Jones industrial average soared 16.93 to end at 1,191.47, comfortably ahead of Monday's previous 1,183.24 record.

The announcement that GNP had risen by 3.1 per cent, somewhat lower than expected, was perceived as good news in both bond and equity sectors of the market, but the accompanying disclosure that inflation is running at 5.8 per cent unsettled credit markets and brought falls in prices at the longer end of the bond market.

General Motors shares rose by $2 to $64⅞ after the results and the rest of the motor sector advanced with them, Chrysler gaining $1⅜ to $22 and Ford adding $2 to $45⅝.

Elsewhere, AT&T, a widely held stock, slipped back from $67⅛ to stand unchanged at $67 after announcing lower earnings for the first quarter.

It was the turn of the steel companies to go through the fire of the reporting season. Armco, number five in the industry, slipped $¼ to $18⅝ after encouraging investors with the news that it may be profitable this year, despite a heavy loss in the opening quarter. Inland Steel, number seven, shed $1 to $29⅝.

Lockheed, the aircraft and missile manufacturer, jumped sharply on higher earning but later settled to $115⅞, for a net rise of $1⅞. Allia Chalmers shed $⅛ to $13⅜ after announcing a substantial loss for the first quarter. Caterpillar gained $⅜ to $44⅞.

Recent gains were extended by General Dynamics, $⅜ up at $48, and by General Electric, $⅞ firmer at $11⅛.

In chemicals, Union Carbide shed $½ to $60⅜ after announcing an expected reduction in profits in the first quarter. Further results from the banks included Manufacturers Hanover, $⅛ better at $48⅞ on good results; and Continental Illinois, unchanged at $23¼.

Oil shares took little heed of predictions of lower profits ahead. Exxon added $⅛ to $33¼ and Standard Oil of California has $¼ better at $38⅞.

Computer issues remained in favour. With IBM shooting up by $2¼ to $114¼ by one stage and Honeywell still responding to the trading statement, rising $2¼ to $102.

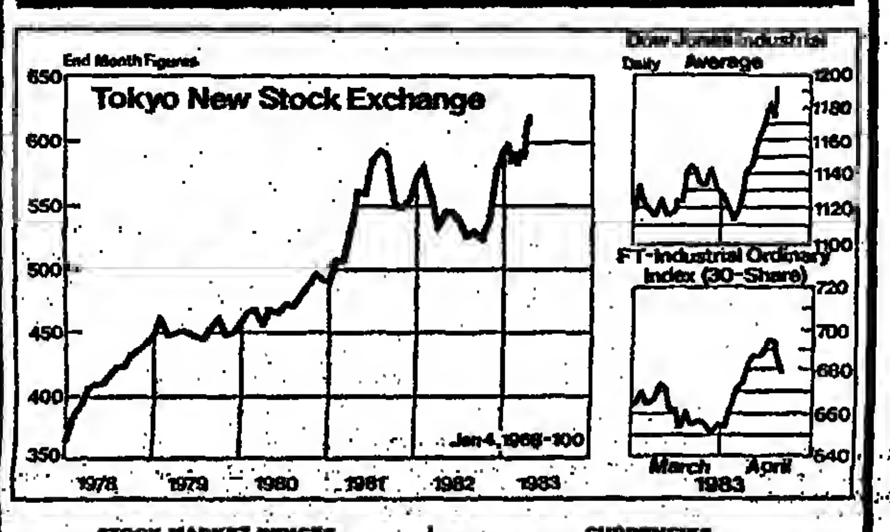
The most active stock was General Public Utilities, $½ up at £9⅜ after the supreme court ruled that GPU need not take "psychological" factors into account in starting up the Three Mile Island plant.

Yields opened lower in credit markets, helped both by the GNP statistics and by a lower federal funds rate of 8½ per cent. But discouraged both by the inflation figures and by another $1bn in customer repurchases by the Fed – rather than the more permanent system agreements – Treasury bond yields edged back up to overnight levels.

The three-month bills were discounted at 8.08 and the six-month at 8.24. The benchmark long bond was at 99⁷⁄₃₂.

Optimism about the Canadian federal budget sent Toronto stocks sharply higher, although golds suffered from the lower world bullion values. Montreal gains were led by the banks, with the papers sector a laggard.

KEY MARKET MONITORS



STOCK MARKET INDICES

NEW YORK	Apr 20	Previous	Year ago
DJ Industrials	1191.47	1174.54	840.56
DJ Transport	531.53	525.41	343.20
DJ Utilities	128.05	126.77	111.95
S&P Composite	160.71	159.74	115.44
LONDON			
FT Ind Ord	678.2	685.2	567.4
FT-A All-share	433.71	437.46	324.5
FT-A 500	471.55	475.31	330.73
FT-A Ind	435.07	438.83	319.3
FT Gold mines	626.1	648.6	250.6
FT Govt secs	81.64	81.68	67.87
TOKYO			
Nikkei-Dow	8564.48	8541.86	7258.15
Tokyo SE	622.42	619.91	532.17
AUSTRALIA			
All Ord.	581.1	587.0	477.4
Metals & Mins.	529.8	540.5	344.0
AUSTRIA			
Credit Aktien	54.74	54.67	52.32
BELGIUM			
Belgian SE	120.83	121.92	99.24
CANADA			
Toronto Composite	2302.5*	2286.0	1595.31
Montreal Industrials	390.22*	386.79	288.94
Combined	384.08*	380.36	273.44
DENMARK			
Copenhagen SE	137.21	138.37	94.24
FRANCE			
CAC Gen	119.3	121.0	107.0
Ind. Tendance	124.0	126.5	117.2
WEST GERMANY			
FAZ-Aktien	312.0	313.25	236.60
Commerzbank	937.1	938.0	721.a
HONG KONG			
Hang Seng	1010.37	1043.18	1193.77
ITALY			
Banca Comm.	195.6	196.7	192.73
NETHERLANDS			
ANP-CBS Gen	125.3	128.4	91.3
ANP-CBS Ind	104.3	106.5	71.3
NORWAY			
Oslo SE	166.64	165.82	100.79
SINGAPORE			
Straits Times	902.73	906.89	755.45
SOUTH AFRICA			
Golds	882.6	906.1	434.9
Industrials	924.4	903.5	588.5
SPAIN			
Madrid SE	109.85	111.49	123.34
SWEDEN			
J & P	1359.2	1329.49	574.29
SWITZERLAND			
Swiss Bank Ind	315.4	317.9	259.4
WORLD	Apr 19	Prev	Yr ago
Capital Int'l	172.9	174.0	132.9

GOLD (per ounce)

	April 20	Prev
London	$434.50	$439.50
Frankfurt	$434.50	$440.50
Zürich	$433.75	$440.50
Paris (fixing)	$432.97	$442.09
New York (April)	$438.80	$433.20

* Indicates latest pre-close figure

CURRENCIES

	U.S. DOLLAR April 20	U.S. DOLLAR Previous	STERLING April 20	STERLING Previous
£	1.5495	1.5520	–	–
DM	2.4590	2.4525	3.8125	3.81
Yen	237.25	237.30	368	368.5
FFr	7.3725	7.3525	11.4225	11.41
SwFr	2.0670	2.0625	3.2050	3.2025
Guilder	2.7690	2.7635	4.2825	4.2875
Lira	1464.25	1459.75	2268.50	2265
BFr	48.99	48.87	75.85	75.85
C$	1.23425	1.23875	1.9125	1.9215

INTEREST RATES

Euro-currencies (three month offered rate)	April 20	Prev
£	10⅛	10³⁄₁₆
SwFr	4⁹⁄₁₆	4⁷⁄₁₆
DM	5¹⁄₁₆	5
FFr	13⅛	13⅛
FT London Interbank fixing (offered rate)		
3-month U.S.$	9⅜	9¼
6-month U.S.$	9⁷⁄₁₆	9⁵⁄₁₆
U.S. Fed Funds	8⅝	9⅝*
U.S. 3-month CDs	8.80	8.75*
U.S. 3-month T-bills	8.08	8.14*

U.S. Treasury Bonds

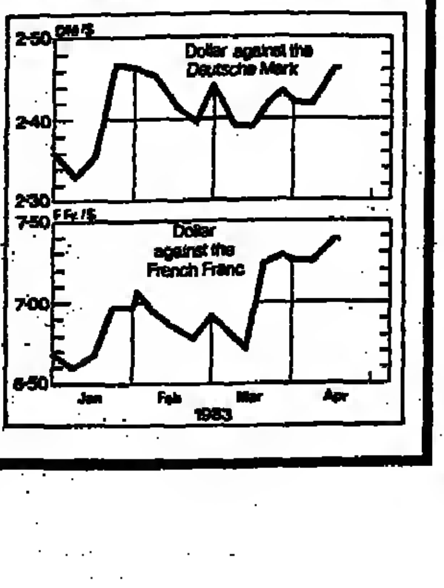
	April 20 Price	April 20 Yield	Prev. Price	Prev. Yield
9¾ 1985	100⁹⁄₃₂	9.50	100⁹⁄₃₂	9.51
10½ 1990	101¹³⁄₃₂	10.22	101⁹⁄₃₂	10.27
10⅞ 1993	103⁵⁄₃₂	10.34	103⁵⁄₃₂	10.34
10⅜ 2012	99⁵⁄₃₂	10.46	99¹¹⁄₃₂	10.43

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
June	77–24	77–28	77–08	77–22
U.S. Treasury Bills (IMM) $1m points of 100%				
June	91.79	91.83	91.71	91.77
Cert Deposit (IMM) $1m points of 100%				
June	91.18	91.20	91.06	91.15
LONDON				
Three-month Eurodollar $1m points of 100%				
June	90.88	90.88	90.77	90.90
20-year Notional Gilt £50,000 32nds of 100%				
June	105–08	105–18	104–29	105–12

LONDON COMMODITY MARKETS

	April 20	Prev
Silver (spot fixing)	765.65p	784.90p
Copper (cash)	£1093.00	£1092.50
Coffee (May)	£1756.50	£1775.50
Oil (spot Arabian light)	$28.82	$28.77



LONDON

Poll puzzle favours the faint-hearted

INVESTMENT confidence was jolted again in London yesterday when another technical selloff hit equity markets, lowering the FT Industrial Ordinary share index seven points to 678.2

A revival of election uncertainty and New York's relapse on Tuesday put London equity dealers on the defensive. Blue chip and other leading industrial shares were marked down, some by sizeable amounts, in order to deter selling.

But renewed, and sometimes large, profit-taking developed, although the sales were often countered by demand from less faint-hearted investors and most leading issues staged a partial recovery.

Plessey advanced to 170p on speculative buying before closing at 165p, a net loss of 7p. Recent front-runner Glaxo succumbed to profit-taking with a net 18p loss at 942p. Unilever fell 20p to 810p, while BTR dropped 6p to 430p.

Minet was unchanged at 138p despite St. Paul of the U.S. increasing its stake to nearly 25 per cent, while Hawker moved up 10p to 382p on better than expected preliminary results.

Government stocks traded quietly. The market initially extended Tuesday's downturn but sterling's fresh advance yesterday soon encouraged sporadic bear-closing. This had the effect of reducing falls among the longs to minimal amounts and brought minor net improvements to maturities in the 1988/92 area. Short-dated issues were narrowly mixed.

Mining issues suffered another sharp decline. South African golds fell on renewed profit-taking from Europe and Johannesburg, and rallied only marginally as modest American buying interest became evident in after-hours' trading.

Randfontein at £99⅜ and Hartebees at £55⅝ both shed over £1 following the March quarter results. Lower-priced issues were highlighted by Unisel, 65p off at 948p, Welkom, 31p lower at 916p and Marievale, 26p down at 309p.

Financials posted widespread losses reflecting a general lack of buying interest and the fresh downturn in golds. Amgold was particularly weak and dropped £2⅛ to £76¼, while Anglovaal lost £2 to £44 and Gold Fields of South Africa £½ to £85½.

London financials were unsettled by the falls in leading UK equities. RTZ and Gold Fields retreated 5p apiece to 575p and 545p respectively, while Charter Consolidated eased 4p to 248p.

Share information service, Pages 46–47

AUSTRALIA

Metals fall

A RETREAT in Sydney was identified more with the overnight fall in world metal values than with any severe correction in the market's two-week resurgence.

The metals and minerals index fell 10.7 to 529.8 but its industrial equivalent dipped just 1.4 to 722.9.

But BHP slid 20 cents to A$7.90, CRA and MIM 12 cents each to a respective A$5 and A$4.60, and Peko Wallsend 24 cents to A$6.66. Melbourne buying sustained some oils.

SOUTH AFRICA

Buying revives

A LATE resumption of Johannesburg buying interest lifted golds off their lows, but setbacks nonetheless extended to R4 for Hartebees at R90.50.

De Beers recovered to stand five cents easier at R9.40 after R9.25 but Amgold finished R4.50 off at R130.50.

Industrial gains maintained a four-to-one lead over declines. Nedbank, which improved first-half profits, jumped R1.25 to R13.50.

EUROPE

Markdowns bring buyers in afresh

THE FIRST downturn in New York for nine days, coupled with persistent strength in the dollar, was enough to prompt substantial initial markdowns in many European centres yesterday, but there was no shortage of buyers at the lower levels and later trading brought a partial recovery.

Technical factors were an added Paris shackle ahead of the account month which starts tomorrow, and a Bank of France prediction of lower industrial production in coming months also hindered sentiment.

Cie Bancaire was suspended after falling FFr 26 to FFr 330, while Pernod-Ricard slipped FFr 10 to FFr 470 and Peugeot FFr 6.50 to FFr 187.

Brussels encountered further selling of Vieille Montagne as a consortium reportedly disposed of its holding. The zinc producer shed BFr 280 to BFr 3,120 for a two-day slide of BFr 1,050. A planned Third World marketing drive took arms maker Fabrique Nationale BFr 20 higher at BFr 2,620 and steelmaker Cockerill-Sambre picked up another unexplained BFr 15 to BFr 130.

U.S. buyers entered Amsterdam to reverse a wave of stop-loss selling brought about by fears of higher interest rates. Ned Mid Bank – which imposed a surcharge on loans to preserve margins, also reporting a better profits trend and launching a Fl 150m 10-year domestic bond issue – slid Fl 3.50 to Fl 150.50.

By midsession Frankfurt had corrected upward enough for the Commerzbank index to show just a 0.9 debit at 937.1, and many stocks went on to end at the day's best. Daimler-Benz shed a final DM 4.30 to DM 537.70 after DM 536 and BMW DM 2.90 to DM 336.90 after DM 335.

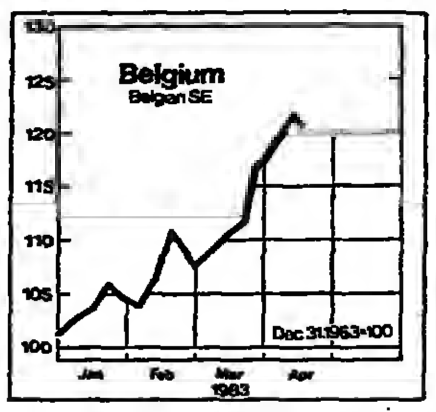
BASF slipped DM1.40 to DM 147.90 ahead of its dividend announcement.

BHF managed a DM 2.30 gain to DM 287.80 on strong demand for the bank's $24.5m Eurobond carrying warrants at DM 271. Domestic bonds, meanwhile shed up to a half-point and the Bundesbank bought DM 58.6m of paper.

Banks were weakest in Zurich, with Volksbank SwFr 30 off at SwFr 1,370. Chemicals showed Ciba-Geigy SwFr 15 ahead at SwFr 1,800 but the unofficially quoted Hoffmann-La Roche sharply weaker on consumer anger over missing poison dioxin. Domestic bonds were barely steady.

Stockholm pulled car maker Saab-Scania back SKr 23 to SKr 293 in the face of improved quarterly earnings and a capital issue, while Alfa-Laval in engineerings jumped SKr 42 to SKr 460 in a generally stronger market.

A looming government crisis muted Milan, and Madrid was unable to reverse the previous session's severe setbacks.



FAR EAST

Secondary issues take Tokyo lead

SMALLER low-capital concerns found themselves suddenly on centre stage in Tokyo yesterday. Investors, still somewhat wary of the high-priced blue chips despite Tuesday's markdowns, turned the spotlight on sound but overlooked stocks where good corporate prospects were not yet adequately reflected in market value.

Traditional pace-setters fared adequately, though, and the 225-stock Nikkei-Dow Jones market average recouped 22.62 of the previous session's 40.67 setback to finish at 8,564.48.

But the broader spread of buying interest was highlighted by the stock exchange index, which advanced 2.51 to 662.42, more than compensating for a 1.90 dip on Tuesday. In addition, the index of the second section – which has enjoyed an uninterrupted eight-day rise – moved beyond the 1,000 mark to end at a record 1,005.55, for a gain of 15.11.

First section volume was a moderate 380m shares and that of the second market a heavy 19m.

Sapporo Breweries, the day's volume leader on 19.12m shares, put on Y18 to Y385 for a two-day rise of Y39. Nippon Sheet Glass, also active, picked up Y23 to Y422 but Sumitomo Chemical slipped Y3 to Y175 ahead of results.

Casio Computer rose Y40 to Y1,200 and its convertible bond met strong demand on the first day of trading. Government issues weakened in light dealings.

Unexpected prime rate rises in Hong Kong, which succeeded only marginally in shoring up the weak local currency, distressed the stock market. The Hang Seng index fell 32.81 to 1,010.37. Overseas investors, usually slower to take profits than their local counterparts, were this time held responsible for much of the selling.

Cheung Kong fell 30 cents to HK$9.55, Jardine Matheson 60 cents to HK$14 and Hongkong Bank 25 cents to HK$8.25, but the troubled Trafalgar Housing recovered five cents to 46 cents.

Banks held up better than the rest in active Singapore profit-taking which left the Straits Times industrial index off 4.16 at 902.73.

Cold Storage fell 20 cents to S$5.05 and Keppel Shipyard 12 cents to S$4.98, while Malayan Banking rose five cents to S$8.15 and active UOB slipped four cents at S$4.90.

Taiwan came back somewhat from Tuesday's peak but brokers said confidence remained unruffled. The weighted stock index shed 10.98 of a 26.30 surge to close at 663.64, and volume eased to T$3.04bn against T$3.41bn.

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 43

AMERICAN STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued on Page 44

NEW YORK STOCK EXCHANGE COMPOSITE CLOSING PRICES

Continued from Page 42

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
52½	24⅜	Unarde	25	.5	24	25	u52⅛	52⅛	52½	+⅛
23¼	12⅝	Univar	.68	3.7	17	64	18⅜	17⅞	18⅜	+⅞
27⅞	15⅜	UnvFd	1.04	4.4	9	212	23⅝	23½	23½	-⅛
37	24⅜	UnLeaf	1.76	5.6	9	51	35½	35¼	35¼	
58½	38	Upjohn	2.28	4.6	13	1348	57	55⅝	57	+2⅛
26⅝	14½	USLIFE	.88	3.3	8	386	u27	26⅝	26⅝	
27⅞	18¼	USLF	pf2.25	8.6		19	u28¼	27⅞	28¼	+⅛
9½	7½	UslifeFd	1.04a	11		41	9½	9⅜	9⅜	
22⅞	17¼	UtaPL	2.36	9.8	10	516	u23	22½	23	+½
25⅛	19⅝	UtPL	pf2.80	11		5	25¼	25⅛	25⅛	+⅛
30	20	UtPL	pf2.90	11		18	26	26	26	+⅛

Continued on Page 44

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a–dividend also extra(s). b–annual rate of dividend plus stock dividend. c–liquidating dividend. cld–called. d–new yearly low. e–dividend declared or paid in preceding 12 months. g–dividend in Canadian funds, subject to 15% non-residence tax. i–dividend declared after split-up or stock dividend. j–dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k–dividend declared or paid this year, an accumulative issue with dividends in arrears. n–new issue in the past 52 weeks. The high-low range begins with the start of trading. nd–next day delivery. P/E–price-earnings ratio. r–dividend declared or paid in preceding 12 months, plus stock dividend. s–stock split. Dividends begins with date of split. sls–sales. t–dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u–new yearly high. v–trading halted. vi–in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd–when distributed. wi–when issued. ww–with warrants. x–ex-dividend or ex-rights. xdis–ex-distribution. xw–without warrants. y–ex-dividend and sales in full. yld–yield. z–sales in full.

WORLD STOCK MARKETS

CANADA

(Closing Prices) Stock	Apr 20	Vars.
AMCA Int.	25⅞	-
Abitibi	22¾	+¼
Agnico Eagle	18¾	+½
Alberta Energy	15⅛	+¼
Alcan Alumn	38	+⅛
Algoma Steel	61⅛	+½
Asbestos	11½	-¼
Bk Montreal	33¼	+1⅛
Bk Nova Scotia	44⅛	-⅛
Basic Resources	6.75	+0.05
Bell Canada	27¾	+1⅛
Bombardier A	15	-
Bow Valley	20¼	+1¼
BP Canada	-	-
Brascan A	31	+1½
Brinco	6.6	+0.15
B. C. Forest	11⅛	+¼
CIL Inc	27¼	+½
Cadillac Fairv.	8⅝	+⅛
Can Cement	17½	-⅝
Can NW Energy	24	-¼
Can Packers	40	-
Can Trustco	44¾	-⅛
Can Imp Bank	38¾	+1¼
Canadian Pacific	45¾	-⅛
Can. P. Ent.	23⅝	+⅜
Cdn Tire	58¾	-
Carling O'Kfe	14¾	+¼
Chieftain	21⅜	-
Cominco	49⅝	+⅝
Cons Bathst A	20½	-
Coseka Resources	3.4	-
Costain	2½	+1
Daon Devel	1.84	+0.14
Denison Mines	38⅝	+1⅛
Dome Mines	22⅞	-
Dome Petroleum	4.9	+0.25
Dom Foundries A	45½	-½
Dom Stores	17¼	+⅛
Domtar	24¾	+⅛
Falcon Ltd.	83	+¾
Genstar	29⅝	+1½
Giant Y'knife	22	-¾
Gt West Life	194	-
Gulf Canada	15½	+¼
Gulfstream Res.	1.59	+0.02
Hawk Sid Can	19⅛	+¾
Hudson Bay Mng	18⅞	-⅛
Hudson's Bay	25¼	+1
Husky Oil	10¾	+¼
Imasco	38¼	+¾
Imp Oil A	33⅞	+⅛
Inco	17¾	+¾
Indal	21½	+1½
Interpr Pipe	27⅛	+⅛
Mac. Bloedel	28¼	+1⅛
Marks & Spencer	13	-
Massey-Ferg	4.65	-0.05
McIntyre Mines	27½	-½
Mitel	23⅞	+⅞
Moore Corp	60	+¾
Nat. Sea Prods A	8½	-⅝
Noranda Mines	25½	+1⅛
Nova Alberta	9½	+½
Nthn Telecom	104¾	+2
Oakwood Pet	7¼	+⅛
Pacific Copper	0.87	-0.03
Pancanadian Pet	94	+¼
Patino	25	-
Placer Devt	23	+¼
Power Corp Can	19¼	+¼
Quebec Strgn	7⅝	+⅝
Ranger Oil	9⅝	+1
Reed Stenhse A	15	-
Rio Algom	48⅞	+⅛
Royal Bank	34½	+⅝
Royal Trustco A	26¾	-¾
Sceptre Res	5.0	-
Seagram	38½	+1⅛
Shell Can A	24⅝	+⅛
Steel of Can A	26	+⅜
Tech B	10¼	+¼
Texaco (Canada)	33	-1
Thomson News A	34⅝	+⅛
Toronto Dom Bank	50	+½
Transalta A	23¼	+1
Trans. Can. Pipe	26⅛	+½
Walker (H) Res	25	+⅜
Westcoast Trans	14⅛	+¼
Weston (Geo)	54	+1⅜

AUSTRIA

Apr. 20	Price Sch.	+ or —
Creditanstalt	907	......
Goesser	255	+5
Interunfall	370	......
Landerbank	212	......
Perlmooser	347	......
Steyr Daimler	171	......
Veitscher Mag	209	+1

BELGIUM/LUXEMBOURG

Apr. 20	Price Frs.	+ or —
ARBED	1,200	+19
Banq Int A Lux	5,906	......
Bekaert B	2,685	-10
Ciment BR	1,940	-20
Cockerill	180	+15
Delhaize	4,040	-20
EBES	2,450	-16
Electrobel	6,860	-70
Fabrique Nat	2,620	+20
G.B. Inno	3,050	+50
GBL (Brux)	1,775	-36
Gevaert	2,100	-50
Hoboken	4,570	-50
Intercom	1,840	-20
Kredietbank	5,450	-50
Pan Hldgs	8,020	+80
Petrofina	5,550	-40
Royale Belge	6,400	-80
Soc Gen. Banq	2,835	......
Soc Gen Belge	1,630	-5
Sofina	4,790	-20
Solvay	2,650	-35
Traction Elect	5,200	-95
UCB	3,240	-35
VielleMont	3,120	-280

DENMARK

Apr. 20	Price Kroner	+ or —
Aarhus Olie	365.4	+4.4
Andelsbanken	280	-5
Baltica Skand.	484.5	......
CopHandelsbank	258	-9
D. Sukkerfab	501	-8.5
Danske Bank	272	-7.5
East Asiatic	127.5	-2
Forende Brygg	960	+5
Forende Damp	227	......
GNT Hldg.	392	......
I.S.S.B.	460	......
Jyske Bank	470	-25
Novo Ind	3200	......
Privatbanken	259	-5
Provinsbanken	212	-12
Smidth (F.L.)	220	-4.4
Sophus Berend	750	......
Superfos	176	-6.4

FRANCE

Apr. 20	Price Frs.	+ or —
Emprunt 4½% 1973	1,892	-21
Emprunt 7% 1973	9,425	-90
CNE 3%	5,289	-10
Air Liquide	480	-6
BIC	591	-19
Bouygues	680	-13
BSN Gervais	1,555	-35
CIT Alcatel	1,080	-4
Carrefour	1,455	-14
Club Medit.	680	-25
CFAO	451	-4
Cie Bancaire	300	-25
Cofimeg	167	-1
Creusot Loire	44.5	-0.9
Darty	681	-17
Dumez	761	-2
Eaux (Cie Gen)	501	-7
Elf-Aquitaine	147	-4
Gen. Occidental	607	......
Imetal	52.5	-1.5
Lafarge-Coppee	252	-1
L'Oreal	1,470	-28
Legrand	1,890	-10
Maisons Phenix	465	+3
Matra	1,405	-20
Michelin B	768	-1
Midi (Cie)	844	+14
Moet-Hennessy	1,019	-15
Moulinex	79	-5.8
Nord Est	47	-0.5
Pernod Ricard	470	-10
Perrier	252.5	-6
Petroles (Fra.)	151	-3
Peugeot-SA	197	-6.5
Poclain	82	+0.6
Printemps Au	120.5	-5
Radiotech	564	-5.5
Redoute	229	-7
Roussel-Uclaf	304.2	-2.1
Schneider	116.5	-9.4
Sefimeg	122	+0.5
Skis Rossignol	779	-13
Telemech Elect.	1,043	-20
Thomson (CSF)	125.2	-4.2
Valeo	255	-2.9

GERMANY

Apr. 20	Price Dm.	+ or —
AEG-Telef	57.8	+1.2
Allianz Vers	622	+7
BASF	147.9	-1.4
Bayer	157.7	-1.4
Bayer-Hypo	317	+1
Bayer-Verein	362	......
BHF-Bank	287.8	+2.3
BMW	336.2	-9.2
Brown Boveri	167	-4.1
Commerzbank	160.2	-1.7
Conti Gummi	90.7	-0.9
Daimler Benz	537.7	-4.3
Degussa	516	-1
Demag	176	+5
D'sche Babcock	179	-5
Deutsche Bank	336.8	-1.2
Dresdner Bank	173.1	-1.4
GHH	167.6	+1
Hochtief	620	-15
Hoechst	143.6	-1.3
Hoesch	51.5	+2
Holzmann (P)	540	+14
Horten	154.5	+2.6
Kali und Salz	166.6	-1.5
Karstadt	279.5	-0.4
Kaufhof	254	+2.5
KHD	247	+2
Kloeckner	48	+0.2
Krupp	77	-1
Linde	570.5	-14.5
Lufthansa	111	-5
MAN	166	-2
Mannesmann	166	-1.1
Mercedes Hld	482	-1
Metallgesell	933	-1
Muench Rueck	910	+10
Preussag	265	......
Rhein West Elect	188.6	-1.3
Rosenthal	511	-1
Schering	361	-6
Siemens	340.6	-4.2
Thyssen	85	......
Varta	194	-2
Veba	162.5	-0.5
V.E.W.	137.5	......
Verein-West	305	-2
Volkswagen	173	-3

ITALY

Apr. 20	Price Lire	+ or —
Banca Com'le	31,200	......
Bastogi IRBS	899.0	+1.6
Centrale	2,350	+120
Credito Varesino	4,729	-1
Fiat	2,825	+24
Finsider	65	......
Generali (Assic)	128,050	-450
Invest	2,362	-99
Italcementi	41,000	-200
Montedison	127.4	+0.8
Olivetti	2,684	-76
Pirelli Co	2,740	......
Pirelli Spa	1,658	+83
Snia Viscosa	975	+26
Toro Assic.	19,700	+99
do. Pref	2,530	-170

NETHERLANDS

Apr. 20	Price Fls.	+ or —
ACF Holding	152.5	-4.5
Ahold	163.5	-5.5
AKZO	57.6	-1.5
ABN	365	-8
AMEV	119	-7
AMRO	59.9	-2.1
Bredero Cert	186	-4
Boskalis West	45	-1.5
Buhrmann-Tet	44	-0.5
Caland Hlds	50.2	-1.8
Elsevier NDU	514	-1
Ennia	134	-1
Euro Comm Tst	91.5	......
Gist-Brocades	143.5	-0.7
Heineken	137.5	-1.2
Hoogovens	21.3	......
HunterDouglas	16	-0.4
Int Muller	22.1	-0.7
KLM	145.8	-2.4
Naarden	51	-1
Nat Ned cert	148	-3
Ned Cred Bank	50.9	-0.6
Ned Mid Bank	150.5	-5.5
Ned Lloyd	90.5	-1.2
Oce Grinten	186	-1.5
Ommeren(Van)	24.4	-0.5
Pakhoed	53	-1.5
Philips	44.9	-1.9
Rijn-Schelde	4.5	+0.3
Robeco	280.7	-1.3
Rodamco	129	+0.3
Rolinco	279.5	-5.2
Rorento	190	-0.1
Royal Dutch	114.7	-0.3
Stevenburgs	82.3	+0.5
Tokyo Pac Hg	246	-8.7
Unilever	219.5	+0.5
Viking Rs	119	-4
Vmf Stork	57	-0.5
VNU	63.2	-0.8
West Utr Bank	112	-3.6

NORWAY

Apr. 20	Price Kroner	+ or —
Borgens Bank	110	......
Borregaard	145	-2.5
Christiania	122.5	+2.5
Creditbank	150	+1
Elkem	77.5	-1.5
Norsk Data	242.5	+7.5
Norsk Hydro	566	-5
Storebrand	148	+2

SPAIN

Apr. 20	Price Peseta	+ or —
Bco Bilbao	331	-6
Bco Central	292	-4
Bco Exterior	205	-1
Bco Hispano	217	-4
Bco Santander	242	-3
Bco Vizcaya	360	-16
Dragados	135	-2
Hidrola	62	-1.6
Iberduero	42	-5.2
Petroleos	94.6	......
Telefonica	73	-1

SWEDEN

Apr. 20	Price Kronor	+ or —
ACA	329	+3
Alfa-Laval	460	+42
ASEA (Free)	350	......
Astra (Free)	1600	+76
Atlas Copco	131	......
Boliden	363	-9
Cardo (Free)	600	+90
Cellulosa	577	+2
Electrolux B	191	+4
Ericsson	435	+7
Esselte (Free)	219	+3
Fagersta	355	+10
Fortia (Free)	500	+5
Mo och Dom	272	+5
Saab-Scania	993	-23
Sandvik B (Free)	970	......
Skandia	242	+2
Skan Enskilda	990	+5
SKF B	165	+1
St Kopparberg	510	+16
Sven Handelsbn	140	+3
Swedish Match	230	+1
Volvo B (Free)	438	-2

SWITZERLAND

Apr. 20	Price Frs.	+ or —
Alusuisse	616	......
Bank Leu	4,025	-95
Brown Boveri	1,150	-6
Ciba-Geigy	1,950	+16
do (Part Certs)	1,515	......
Credit Suisse	1,985	+5
Elektrowatt	2,650	-10
Fischer (Geo)	560	-7
Genevoise	3,800	......
Hoff-Roche PtCts	76,000	-300
Hoff-Roche 1/10	7,625	-250
Jacob Suchard	6,200	-950
Jelmoli	1,456	-40
Landis & Gyr	1,270	-10
Nestle	4,050	-10
Oer-Buehrle	1,370	......
Pirelli	270	+5
Sandoz (B)	6,150	-50
Sandoz (Pt Cts)	777	+1
Schindler(PtCts)	370	-10
Swissair	910	-2
Swiss Bank	322	-2
Swiss Reinsce	7,175	-50
Swiss Volksbk	1,570	-30
Union Bank	3,350	-20
Winterthur	2,860	-60
Zurich Ins.	17,450	+100

AUSTRALIA

Apr. 20	Price Aust. $	+ or —
ANZ Group	4.15	+0.05
Acrow Aust	0.82	+0.01
A.O.G.	0.72	......
Ampol Pet	1.57	-0.03
Assoc. Pulp Pap	1.85	......
Aust. Cons. Ind	1.35	......
Aust. Guarant	2.55	+0.05
Aust. Nat. Inds	2.5	-0.05
Aust. Paper	2.00	......
Bond Hldgs	0.98	......
Boral	2.97	-0.03
Bougainville	2.50	-0.01
Brambles Inds	2.68	-0.06
Bridge Oil	3.4	+0.1
BHP	7.9xd	-0.2
CRA	5.0	-0.12
CSR	5.24	-0.11
Carlton & Utd	2.68	-0.02
Castlemaine Tys	4.20	......
Coles (G.J.)	2.77	......
Comalco	2.80	......
Consolidated Pet	0.15	-0.30
Costain	1.00	......
Dunlop	1.11	+0.01
E.Z. Inds	5.04	-0.06
Elders IXL	5.2	-0.15
Energy Res	1.55	-0.01
Gen. Prop. Trust	1.62	......
Griffin Coal	5.8	......
Hardie (J.)	5.9	+0.05
Hartogen Energy	1.9	-0.05
HeraldW'y Times	2.15	......
ICI Aust	1.65	......
Jimberlana 50cfp	0.26	......
Kia Ora Gold	0.25	-0.01
Land Lease	3.85	-0.07
Leonard Oil	0.09	+0.01
MIM	4.5	-0.1
Mayne Nickless	2.87	+0.02
Meekatharra	2.2	+0.05
Myer Emp	1.5	-0.05
Nat. Aus. Bk.	2.9	-0.05
News	3.25	......
Nicholas Kiwi	2.16	......
North Bkn Hill	2.96	-0.02
Oakbridge	1.26	-0.02
Otter Expl	0.70	......
Pancon	1.55	+0.05
Pioneer Co	1.75	-0.02
Rockitt&Colman	1.90	......
Repco	1.05	+0.05
Santos	5.28	-0.12
Smith (H)	3.2	-0.15
Southland Min'g	0.3	-0.02
Spargos Expl	0.22	......
Thos. Natwide	1.84	-0.11
Tooth	3.10	......
UMAL Cons	1.85	-0.05
Vamgas	7.8	+0.1
Western Mining	4.57	-0.03
Westpac	2.85	-0.02
Woodside Petrol	0.89	-0.01
Woolworths	2.0	-0.05
Wormald Intl	5.12	+0.02

HONG KONG

Apr. 20	Price H.K.$	+ or —
Bank East Asia	50.0	-0.5
Carrian Invest	0.87	......
Cheung Kong	2.65	-0.3
China Light	14.6	-0.3
HangLung Devel	2.95	......
Hang Seng Bank	44.05	-1.75
HK Electric	6.9	-0.25
HK Kowloon Whf	4.0	-0.15
HK Land	4.2	-0.2
HK Shanghai Bk	8.25	-0.25
HK Telephone	31.75	-1
Hutchison Wpa	13.7	-0.5
Jardine Math	14	-0.6
New World Dev	3.47	-0.1
Orient O'seas	2.65	......
O'Seas Trust Bk	4.57	......
SHK Props	6.7xd	-0.25
Swire Pac A	13.2	-0.4
Wheel'k Mard A	3.7	-0.17
WheelockM'time	2.15	......
World Int. Hold's	1.66	-0.07

JAPAN

Apr. 20	Price Yen	+ or —
Ajinomoto	927	+7
Alps Electric	2,270	+80
Amada	657	-6
Asahi Chem	319	-6
Asahi Glass	578	-7
Bridgestone	495	-5
Canon	1,630	+30
Casio Comp	1,200	+40
Chugai Pharm	1,150	+10
Citizen	410	+22
Daiei	600	......
Dai Nippon Ptg	744	+3
Daiwa House	581	-10
Ebara	365	......
Eisai	1,300	-20
Fanuc	6,100	+280
Fuji Bank	500	......
Fuji Film	1,700	-10
Fujisawa	1,070	......
Fujitsu	914	+14
Green Cross	1,550	+10
Hasegawa	600	+1
HeiwaReal Est	606	+6
Hitachi	789	+19
Hitachi Credit	1,420	-10
Honda	841	+16
Housefood	917	+1
Hoya	951	+1
Itoh (C)	329	-6
Ito-Yokado	1,130	+30
Iwatsu	1,030	+10
JACCS	389	......
JAL	2,550	+10
Jusco	527	+1
Kajima	340	+5
Kao Soap	540	+10
Kashiyama	654	-6
Kirin	425	+5
Kokuyo	922	+13
Komatsu	591	+1

JAPAN (continued)

Apr. 20	Price Yen	+ or —
Konishiroku	610	-1
Kubota	322	......
Kumagai	598	+1
Kyocera	4,650	-40
Maeda Const	529	-3
Makino Milling	760	+7
Makita	990	+15
Marubeni	515	-10
Marudai	580	+1
Marui	940	+2
MEI	1,400	+50
M'ta Elec Works	600	-4
M'bishi Bank	500	......
M'bishi Corp	534	......
M'bishi Elect	376	+7
M'bishi Estate	500	-9
MHI	299	-3
Mitsui Co	416	-5
Mitsui Est	720	-9
Mitsukoshi	377	-3
NGK Insulators	505	-7
Nihon Cement	224	+7
Nippon Denso	1,310	......
Nippon Elect	958	+14
Nippon Express	246	-1
Nippon Gakki	570	+16
Nippon Kokan	145	-2
Nippon Oil	976	-5
Nippon Seiko	495	+13
Nippon Shimpan	895	......
Nippon Steel	157	-5
Nippon Suisan	337	......
NTV	4,520	+80
Nippon Yusen	270	-5
Nissan Motor	739	+1
Nisshin Flour	380	+16
Nisshin Steel	163	+1
Nomura	719	+19
Olympus	1,150	+10
Omron Tateisi	1,200	+60
Orient Leasing	2,540	-10
Pioneer	2,630	+60
Renown	658	-1
Ricoh	740	+11
Sankyo	714	......
Sanyo Elect	480	+5
Sapporo	385	+16
Sekisui Prefab	750	......
Seven-Eleven	7,200	-100
Sharp	1,280	+10
Shimadzu	488	+95
Shionogi	605	+1
Shiseido	977	+52
Sony	3,540	-10
Stanley	520	-11
S'tomo Elect	527	+6
S'tomo Marine	232	-2
Taihei Metal	158	+2
Taihei Dengyo	478	-7
Taisei Corp	231	-2
Taisho pharm	718	-5
Takeda	805	+5
TDK	4,560	+70
Teijin	505	-3
Teikoku Oil	782	-8
Tokio Marine	616	......
TBS	602	+2
Tokyo Elect.Pw.	1,050	......
Tokyo Gas	126	-1
Tokyo Sanyo	543	-4
Tokyo Style	860	+55
Tokyu Corp	325	+1
Toppan Print	540	......
Toray	391	+2
Toshiba	355	+5
TOTO	650	+10
Toyo Seikan	644	+41
Toyota Motor	1,080	+10
Victor	2,450	+80
Wacoal	700	......
Yamaha	634	+10
Yamanouchi	1,360	......
Yamazaki	542	+8
Yasuda Fire	254	-1
Yokogawa Bdge.	440	......

SINGAPORE

Apr. 20	Price $	+ or —
Boustead Bhd	2.12	-0.02
Cold Storage	5.1	-0.15
DBS	2.85	......
Fraser & Neave	8.3	......
Genting	3.98	+0.04
Haw Par	2.69	+0.02
Inchcape Bhd	3.32	-0.06
Malay Banking	8.15	+0.05
Malay Brew	6.05	+0.15
OCBC	11.9	......
Sime Darby	2.51	-0.01
Straits St'mship	2.06	-0.03
Straits Trading	7.0	-0.05
UOB	4.9	-0.04

SOUTH AFRICA

Apr. 20	Price Rand	+ or —
Abercom	2.8	+0.05
AE & Cl	9.75	+0.75
Anglo Am. Coal	30	+2
Anglo Am	25	......
Anglo Am Gold	130.6	-4.5
Barclays Bank	14.5	+0.1
Barlow Rand	18	+0.35
Buffels	65	-2
CNA Invest	12.0	......
Currie Finance	4.10	+0.6
De Beers	2.4	-0.05
Driefontein	36.75	-1
FS Geduld	52.5	-0.75
Gold Fields SA	148	-1
Highveld Steel	5.9	-0.1
Nedbank	13.5	+1.25
OK Bazaars	26.0	+2
Protea Hldgs	3.25	+0.05
Rembrandt	25.6	+0.5
Rennies	16.05	+0.05
Rustenburg	8.70	......
Sage Hldg	8.5	......
SA Brews	9.3	......
Smith (C.G.)	22	+2
TongaatHuletts	2.75	......
Unisec	5.10	......

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

Indices

NEW YORK-DOW JONES

	Apr 20	Apr 19	Apr 18	Apr 15	Apr 14	Apr 13	1983 High	1983 Low	Since Compilat'n High	Since Compilat'n Low
Industrials	1191.47	1174.54	1183.24	1171.34	1185.25	1156.84	1183.24 (18/4)	1027.04 (3/1)	1183.24 (18/4/83)	41.22 (2/7/32)
Transport	531.53	526.41	528.78	529.84	523.8	514.83	529.84 (15/4)	434.24 (3/1)	529.84 (15/4/83)	12.23 (8/7/32)
Utilities	128.05	126.61	126.48	128.05	125.18	125.42	128.84 (3/3)	119.46 (3/1)	163.32 (20/4/69)	10.85 (28/4/42)
Trading vol 1000's†	11041	8121	8856	8959	9018	10852	-	-	-	-

	Apr 15	Apr 8	Mar 31	(Year Ago Approx)
Ind div yield %	4.58	4.86	4.86	6.61

STANDARD AND POORS

	Apr 20	Apr 19	Apr 18	Apr 15	Apr 14	Apr 13	1983 High	1983 Low	Since Compilat'n High	Since Compilat'n Low
Industrials	180.86	177.75	178.94	177.74	177.14	175.8	178.94 (18/4)	154.95 (3/1)	178.94 (18/4/83)	3.52 (30/6/32)
Composite	160.71	158.71	158.74	158.75	158.11	156.77	159.74 (18/4)	138.34 (3/1)	159.74 (18/4/83)	4.4 (1/6/32)

	Apr 16	Apr 8	Mar 30	Year Ago (Approx)
Ind div yield %	4.14	4.30	4.22	6.71
Ind. P/E Ratio	13.40	12.94	13.18	7.77
Long Gov Bond Yield	10.41	10.46	10.68	13.11

N.Y.S.E. ALL COMMON

Apr 20	Apr 19	Apr 18	Apr 15	1983 High	1983 Low
82.29	81.18	81.72	81.18	81.72 (18/4)	79.79 (24/1)

RISES AND FALLS

	Apr 20	Apr 19	Apr 18
Issues traded	944	1924	1838
Rises	143	637	864
Falls	484	933	603
Unchanged	317	354	372

MONTREAL

	Apr 20	Apr 19	Apr 18	Apr 15	1983 High	1983 Low
Industrials	392.8	388.87	388.79	383.43	388.97 (19/4)	329.12 (4/1)
Combined	380.44	380.35	380.36	378.25	380.36 (18/4)	322.85 (4/1)
TORONTO Composite	2322.3	2278.5	2286.8	2284.1	2286.0 (18/4)	1949.3 (4/1)

U.S. INDICES: CLOSING VALUES. YESTERDAY'S CANADIAN INDICES: LATEST AVAILABLE

	Apr. 20	Apr. 19	Apr. 18	Apr. 15	1983 High	1983 Low
AUSTRALIA All Ord. (1/1/80)	561.1	567.1	574.2	566.2	587.1 (18/4)	487.8 (4/1)
Metals & Mins. (1/1/80)	529.8	540.5	550.8	525.1	540.5 (19/4)	411.8 (4/1)
AUSTRIA Credit Aktien (2/1/62)	54.74	54.67	54.57	54.88	54.74 (20/4)	49.49 (15/2)
BELGIUM Belgian SE (31/12/63)	120.65	121.52	122.89	122.10	122.99 (18/4)	100.50 (4/1)
DENMARK Copenhagen SE (3/1/83)	137.21	138.37	138.53	138.89	139.18 (13/4)	100.00 (3/1)
FRANCE CAC General (31/12/82)	118.3	121.8	121.5	120.20	121.0 (18/4)	96.1 (3/1)
Ind Tendance (31/12/82)	124.0	128.8	128.5	126.20	127.4 (12/4)	98.0 (3/1)
GERMANY FAZ-Aktien (31/12/58)	319.8	315.25	318.75	307.75	315.25 (19/4)	241.89 (25/1)
Commerzbank(Dec1953)	957.1	958.0	951.4	922.0	958.0 (15/4)	727.8 (25/1)
HONG KONG Hang Seng Bank (31/7/64)	1018.57	1043.18	1040.97	1087.14	1057.98 (14/4)	751.81 (4/1)
ITALY Banca Comm Ital.(1972)	195.59	196.70	190.64	(u)	214.03 (21/3)	190.46 (10/1)
JAPAN** Dow Average (16/5/49)	8564.45	8541.86	8582.53	8552.18	8582.68 (18/4)	7803.18 (25/1)
Tokyo New SE (4/1/68)	622.42	619.81	621.81	613.58	622.42 (20/4)	574.51 (25/1)
NETHERLANDS ANP-CBS General (1970)	125.5	129.4	129.2	129.8	151.8 (12/4)	100.1 (4/1)
ANP CBS Indust (1970)	104.5	106.5	108.2	108.1	109.2 (12/4)	85.5 (4/1)
NORWAY Oslo SE (4/1/83)	165.64	165.82	165.51	165.82	166.84 (20/4)	98.51 (4/1)
SINGAPORE Straits Times (1966)	892.78	906.89	898.27	892.61	906.89 (19/4)	712.29 (5/1)
SOUTH AFRICA Gold (1958)	(u)	906.1	924.7	904.8	1099.5 (1/2)	884.3 (28.3)
Industrial (1958)	(u)	205.5	889.4	876.8	895.5 (18.4)	740.8 (5/1)
SPAIN Madrid SE (31/12/82)	109.86	111.49	(c)	115.78	118.88 (13/4)	98.32 (11/1)
SWEDEN Jacobson & P. (1/1/58)	1358.20	1329.46	1318.92	1307.26	1359.20 (20/4)	898.16 (3/1)
SWITZERLAND SwissBankCpn.(31/12/58)	315.4	317.4	317.8	318.2	317.8 (18/4)	294.4 (4/1)
WORLD Capital Intl. (1/1/70)	—	172.8	174.6	172.9	174.6 (18/4)	154.5 (5/1)

(**) Saturday April 16: Japan Dow (c). TSE (c).

Base values of all indices are 100 except Australia All Ordinary and Metals—500. NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 Industrials. § 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable.

New York Active Stocks

Wednesday	Stocks Traded	2.00 p.m. Price	Change on Day
Gen Pub Ut	1,279,800	9⅛	+⅛
RCA	958,700	25⅛	+1⅜
Chrysler	880,000	21⅞	+1¾
ATT	817,500	67	-
Am Motors	784,100	8⅛	+⅛
Am HME Prd	727,200	48⅛	-1⅞
Gen Dynam	878,000	48⅝	+1
Gen Motors	661,700	65	+2⅛
IBM Corp	880,800	114⅞	+3⅞
Bankamer	584,800	24	+1½

AMERICAN STOCK EXCHANGE PRICES

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close

Continued from Page 43

[illegible]

R—R—R

[illegible]

S—S—S

[illegible]

T—T—T

[illegible]

U—U—U

[illegible]

V—V—V

[illegible]

W—W—W

[illegible]

X—Y—Z

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
14⅝	5⅛	YankO			14	255	u15⅞	14½	15½	+1⅛
14⅝	5	Zimer	a .16	.7	30	54	13¾	13⅝	13⅝	-⅛

NEW YORK PRICES

Continued from Page 43

[illegible]

V—V—V

[illegible]

W—W—W

[illegible]

X—Y—Z

[illegible]

COMMODITIES AND AGRICULTURE

Foreign interests buy more land in U.S.

By Nancy Dunne in Washington

THE AMOUNT of U.S. agricultural land owned by foreign interests rose from 12.5m acres to 13.5m acres during 1982, the U.S. Department of Agriculture (USDA) said yesterday.

Of the acreage, 75 per cent is owned by foreign people in Canada, Britain, Hong Kong, West Germany and the Netherlands Antilles. The last named is a tax haven and purchasers listed through the Antilles could be from almost anywhere.

Forest land accounts for 55 per cent of all foreign-owned acreage, much of it in Maine. Three large timber companies own 96 per cent of the foreign-held acres in Maine, and foreign holdings account for 14 per cent of the state's privately owned land.

The USDA report belies the commonly-held worry among U.S. farmers that foreign interests are swallowing up U.S. farmland. The 13.5m acres represents slightly more than 1 per cent of all American agriculture land.

The filed reports indicate that foreign owners plan to keep 92 per cent of their acreage in agricultural production. They also reported no change in tenancy or rental arrangement on 42 per cent of them and some change on 29 per cent of the acres.

Canadians are the largest single group of foreign owners. Holding almost 1.5m acres individually and almost 2.7m acres as shareholders in U.S. corporations.

People from Britain own about 381,000 acres and 1.5m acres as shareholders in U.S. corporations.

Lands bought through the Netherlands Antilles total almost 532,000 acres for individuals and almost 508,000 acres held with U.S. corporations.

Corporations own 83 per cent of the foreign-held acreage partnerships, 9 per cent and individuals 6 per cent.

Except for Maine, foreign holdings are concentrated in the south with 34 per cent

EEC to offer subsidy on surplus grain for animal feed

BY RICHARD MOONEY

THE EEC Commission plans to make between 2m and 3m tonnes of surplus cereals available at subsidised prices for feeding to livestock, Mr Poul Dalsager, the Farm Commissioner, said in Luxembourg yesterday.

Details of the proposed scheme will be discussed at a meeting of Common Market officials and representatives of European feed manufacturers and farming organisations in Brussels tomorrow.

Mr Dalsager gave no details of the Commission's proposals but said it planned to transfer 450,000 tonnes of stored cereals to Italy and 75,000 tonnes to Ireland and Northern Ireland to ensure that every member state was able to benefit from the scheme.

British pig farmers have been pressing for such an arrangement as a means of easing the severe depression in their sector. They have argued that it is wrong for cut-rate exports to continue when the surplus grain could be used to reduce the cost of pigmeat for EEC consumers.

Thesales are expected to take place in the autumn as part of a programme for supporting the Sommunity's wheat market. EEC wheat stocks are forecast to reach 11m tonnes by the end of the 1982-83 marketing year.

Mr Roger Dean, deputy director general of the UK Agricultural Supply Trade Association (Ukasta) said he thought the Commission scheme bore a strong resemblance to a proposal put forward by Ukasta in a discussion document recently.

Under this regular tenders would be held for "approved buyers," hta is buyers who could provide proof of purchases in earlier years. They would offer to buy wheat from intervention stocks at a discount to the normal intervention price and undertake, if their offer was accepted, to buy additionally on the open maret an amount similar to tinhugobtthas

lar to that bought in a corresponding earlier period.

Ukasta said such a scheme satisfied the principal objectives of restraining the increasing budgetary and political costs of subsidised grain exports while providing a "short-term palliative" for the European livestock industry in the form of reduced feed costs.

UK food marketing boosted

BY OUR COMMODITIES STAFF

MR NICHOLAS SAPHIR, chairman of Food from Britain, the new umbrella organisation set up to improve the marketing of British food at home and abroad, yesterday spelled out the organisation's aims.

He said: "On the home market, the emphasis will be on existing opportunities for gaining market share in fresh and lightly processed foods.

"The application of rigorous quality standards for domestic produce and building up a catalogue of "quality approved" British produce will eventually lead to joint promotions.

"In the overseas markets it has been agreed by both Food from Britain and the British Food Export Council that BFEC will become the export arm of the new organisation."

Mr Saphir said FFB's overseas marketing strategy would initially concentrate on the selection of key markets and choosing "priority product areas and outlets" within them.

He said the overall marketing plan would be evenly balanced between export and home markets.

The full programme will be "finalised and ready for action" by September, he said.

Sugar export levels remain low

ONLY 14,000 tonnes of white sugar were authorised for export at the EEC Commission's weekly selling tender in Brussels yesterday.

The maximum export rebate granted was 36.639 European currency units per 100 kilos. This compares with a maximum rebate of 37.354 units given on the 9,750 tonnes authorised for export last week.

The recent drop in EEC sugar exports is viewed "bearishly" by London traders as an indication of poor demand. As a result the August position on the futures market closed down on at £131.35 a tonne after climbing over £133 at one stage.

The market was equally buoyed up by news that Tate & Lyle had arranged to defer delivery of 100,000 tonnes of Thailand sugar which will be stored pending an expected rise in prices. There is also increasing concern about damage to the Cuban crop.

● SOVIET MEAT production from state and collective farms increased to 4.15m tonnes in the first quarter of 1983 compared with 3.94m tonnes in the same period last year, said the Central Statistics Office.

● STORM DAMAGE between January and March cost Californian farmers about $300m (£192m) in lost crops, said the State Food and Agriculture Department.

● TECHNICAL PROBLEMS are still delaying the opening of an Indonesian commodity exchange which was to have started this summer with basic rubber auctions.

● THE AUSTRALIAN Wheat Board plans to borrow up to $200m (£128m) in foreign markets in a trial programme for the board's long-term plans to obtain a proportion of each year's wheat crop from foreign markets.

● RECORD LOW temperatures of about 0 degree C for late spring have seriously damaged apple and peach orchards in the southern U.S.

Israel's citrus industry faces squeeze

BY DAVID LENNON IN TEL AVIV

ONCE the pride of Israel's exports, the citrus industry is now in trouble, with sales declining both in volume and in cash terms, and the future suggests that the situation will worsen.

Tough competition in the main European markets, bad weather, and a poor return for the effort invested, have all acted to push down citrus exports.

By the end of the current season, exports are not expected to top 40m boxes, compared with almost 45m boxes in the 1980-81 season. Earnings from exports will not exceed $190m (£122m) compared with $234m two years ago.

The squeeze on the Jaffa brand, once almost synonymous with the name orange, has also resulted in lower returns for the farmers. The problem has also been compounded by the fluctuations in exchange rates. In Britain the price of oranges rose from £4.14 a box in 1980 to £4.64 this season. But, because of the sterling's decline in dollar terms, the receipts fell from $9.19 per box to $8.79.

This is a serious blow, considering that Britain is the largest single market for Israeli citrus, taking about 30 per cent of total exports. West Germany, which buys about 25 per cent of exports, produced a similarly glum picture in the past couple of years. The price per box rose from DM 17.50 in 1980 to DM 18.51, but the dollar equivalent dropped from $9.73 to $7.74 per box.

Like other exporters, the farmers in Israel receive some compensation for the exchange rate fluctuations through the government's foreign trade risks insurance scheme. This is supposed to provide exporters with compensation for the artificially high rate of the shekel against foreign currencies, part of the government's attempt to curb inflation. But this does not compensate for the fluctuations of one foreign currency against another.

Mr Eliahu Itzakson, chairman of the Farmers' Federation, was recently quoted as saying that net earnings per box, measured in Israeli shekels, are down by 15 per cent, for the second year running. Because of this, he said, many farmers are converting their citrus orchards to more profitable crops.

Three years ago it was estimated that 100,000 acres were devoted to citrus groves, but poor returns in the past few years has led to as much as 10 per cent of these groves being uprooted. The area of land being taken out of citrus cultivation is expected to grow, unless there is a change in present trends.

Citrus is Israel's oldest export industry, having started about a century ago at the Mikve Israol Agricultural school. It developed into one of the country's outstanding agricultural achievements and dominated European markets.

About 13,500 people are today directly involved in citrus growing, while another 35,000 are employed in tertiary service sectors such as picking, packaging, transport and marketing etc.

These two factors are among the main problems besetting the industry. Old methods of production and reliance on standard strains of citrus have allowed newer, more vigorous competitors to whittle away at the Israeli export market with new brands and more competitive pricing. In the second place, having 4 per cent of the Labour force engaged in the citrus industry means that basically there is a large overproductive capacity.

The other big problem is the increasing competition from other producers. About 65 per cent of the citrus exports go to the EEC, with another 20 per cent being sold in other European countries. The accession of Greece to the Common Market was the first warning of trouble ahead, trouble which Israel fears could be disastrous if Spain and Portugal join the EEC in 1985.

The accession of Spain especially is being viewed with alarm because it is expected to rob Israel of its comparative agricultural advantages in the European market, since it has similar climatic conditions and crops. Moreover, the new member will have free access to the EEC, while Israel will only enjoy tariff reductions.

In order to meet this challenge, the citrus growers believe that more investment is needed in their industry, but poor returns leave them with little money to invest, according to Mr Izakson. The farmers want the government to ensure that they get a fair return for their effort, and basically they say this could be achieved by the government allowing the shekel to depreciate in line with inflation, as was the practice in the past.

But the government is not yet convinced about this, and is placing its hopes in an international economic recovery which would boost overseas demand.

In any event, without a drive to rationalise the industry, modernise it and make it more competitive, the outlook for this high value added (70-80 per cent) export industry must remain depressing.

Indian jute production may be trimmed

BY P. C. MAHANTI IN CALCUTTA

THE INDIAN Government appears prepared to allow a 15 per cent cut in jute production, although it is unwilling to permit block closures of mills for one day a week for the next four months.

Two factors seem to have influenced the Government's attitude: first, the move will help conserve raw jute supplies and second, the overseas demand has become sluggish again.

In any case manufacturing costs are making Indian jute exports uncompetitive especially in the U.S.

Foreign exchange constraints make large scale raw jute imports unlikely. Only marginal quantities will come from Nepal and Bangladesh. Thus the industry is obliged to manage with whatever domestic supplies there are.

It is now known that domestic supplies will not be more than 9m bales. It is intended to carry over 2.7m bales but industry will need at least 8m bales if it is to continue to produce 120,000 tonnes per month.

With contractural export obligations and requirement of the villages claiming 500,000 bales there will be a small carryover for the new season beginning in July. A 15 per cent output cut over four months from now will, it is calculated, save nearly 500,000 bales.

One snag may be that the Marxist government of West Bengal will oppose the output cut if this workers' interests are advisely affected through lay offs.

The industry has been stressing that unless there is an immediate production cut, several financially weaker mills will be forced to close which will hit the workers much harder.

The industry is, however, happy that central government is now showing some sympathy for its plight and has initiated moves to tackle some of the chronic problems like demand and price fluctuations.

The Government has asked its Bureau of Industrial Costs and Prices to make a thorough study of Jute Mills' costs with a view to fixing minimum prices on a cost plus basis for the goods that are internally consumed and also determine subsidy levels for exports.

Once the minimum prices are fixed the industry's profitability and credit rating will improve. Also the Government plans to bring forward legislation to institute a fund for subsidising and promoting exports.

PRICE CHANGES

In tonnes unless stated otherwise	Apr. 20 1983	+ or —	Month ago
Metals			
Aluminium	£880	......	£810/815
Free Mkt	$1350/1360	—10	$1290/1270
Copper—			
Cash h grade	£1093	+0.5	£1064.5
3 mths	£1120.25	+0.5	£1088.75
Cash Cathode	£1077.5	+5.5	£1031.5
3 months	£1099.5	+5.5	£1062.5
Gold troy oz	$434.5	—5	$400.25
Lead Cash	£295	—1	£296.5
3 months	£306.25	—0.5	£307.75
Nickel	£4833	......	£4811
Free mkt	210/240c	......	220/250c
Palladium	$126.00	+1.5	$96.75
Platinum	£269.30	—0.2	£262.35
Quicksilver†	$380/390	......	$330/340
Silver troy oz	765.65p	—19.25	700.65p
3 mths	788.75p	—20.30	718.45p
Tin cash	£8875	+130	£9157.5
3 month	£8825	+117.5	£9157.5
Tungsten	$83.22	......	$83.75
Wolfam 22.04 lb	$89.91	......	$89.91
Zinc Cash	£450.5	—3	£481
3 mths	£466.25	+2.25	£476.25
Producers	$750	......	$750

	Apr. 20 1983	+ or —	Month ago
Oils			
Coconut (Phil)	$575y	—17.5	$490
Groundnut	$490w	—2.5	$470
Linseed Crude	£322	......	‡
Palm Malayan	$425z	+2	$395
Seeds			
Copra Phill	$365y	......	‡
Soyabean (U.S.)	$256	+2	$249
Grains			
Barley Fut. Sep	£111.85	+0.10	£110.75
Maize	£145.50z		‡
Wheat Fut. Jul	£135.75	—1.05	£138.60
No2 Hard Wint	‡	......	‡
Other commodities			
Cocoa ship't*	£1312	+14	£1299
Fut. July	£1271.5	+0	£1263.5
Coffee Ft. July	£1590.5	—18	£1867.5
Cotton A. Index	80.60c	—0.85	79.30c
Gas Oil May	$247.5	—1.5	$227.75
Rubber kilo	76p	—2.75	74p
Sugar (Raw)	£113wx	+5	£107
Woolt'ps 64s	394p kilo	......	405p kilo

‡ Unquoted. z May. x June. y May-June. v April-June. w April-May. † Per 76-lb flask. * Ghana cocoa. n Nominal.

LONDON OIL SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.75-28.90	+0.05
Iranian Light	28.05-28.10	+0.05
Arabian Heavy	26.15-26.40	+0.2
North Sea (Forties)	29.60	+0.15
North Sea (Brent)	29.80	+0.29
African (Bonny L't)	29.85-30.20	+0.18
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	302-305	—
Gas oil	247-256	+2.0
Heavy fuel oil	162-165	+1.0

GAS OIL FUTURES

The market began the day slightly higher and steadied further during the morning. Prices then moved down, rallied briefly on a stronger than expected New York opening and fell back again on the close, reports Premier Man.

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
April	250.50	—	252.00-50.50
May	247.50	—1.50	250.75-47.25
June	246.00	—2.00	248.75-46.25
July	246.00	—1.50	248.25-48.25
Aug	247.00	—1.50	248.75-41.80
Sept	250.00	—0.50	251.75-48.00
Oct	252.00	—0.50	254.00-53.00
Nov	255.50	+0.50	256.50
Dec	257.00	—0.25	258.50

Turnover: 2,486 (3,326) lots of 100 tonnes.

GOLD MARKETS

Gold fell $5 an ounce from Tuesday's close in the London bullion market yesterday to finish at $434-435. The metal opened at $433-434 and traded between a high of $434¾-422¾ and a low of $432½-433½. The metal recovered from early lows on short covering but was restrained later by the dollar's firmer trend.

In Paris the 12½ kilo bar was fixed at FFr 102,700 per kilo ($432.97 per ounce) in the afternoon compared with FFr 102,700 ($433.63) in the morning and FFr 104,500 ($442.09) on Tuesday afternoon.

In Frankfurt gold closed at $433-436 from $440-441 and in Zurich it finished at $433½-434½ compared with $439-442 on Tuesday.

In Luxembourg the dollar per ounce equivalent of the 12½ kilo bar at the fixing was $433.5 from $441.50.

LONDON FUTURES

Month	Yesterday's close	+ or —	Business Done
	$ per troy ounce		
April	434.00-35.5	-2.250	—
May	433.50-35.5	-3.000	—
June	439.20-39.5	-2.250	440.50-37.0
July	442.00-43.0	-2.750	—
August	446.00-48.5	-3.000	446.00
Sept	448.00-49.5	-3.000	—
Oct	452.00-53.5	-2.500	—

Turnover: 565 (761) lots of 100 troy ounces.

	Apr 20		April 19	
Gold Bullion (fine ounce)				
Close	$434-435	(£279-279¾)	$439-440	(£282-282¾)
Opening	$433-434	(£278¾-279½)	$441-442	(£281¾-282½)
Morning fixing	$434	(£279.243)	$441.50	(£282.560)
Afternoon fixing	$433.75	(£278.313)	$430.50	(£282.328)

Gold Coins Apr. 20					
Krugrnd	$447¼-448½	(£288-288¾)	King Sov	$106½-107¼	(£68-69½)
½ Krg	$231-230	(£149¼-149¾)	Victoria Sov	$106½-107¼	(£68-69½)
¼ Krg	$118-119	(£76¼-76¾)	French 20s	$90-92	(£58¼-60½)
1/10 Krug	$48¼-49¼	(£31¼-31¾)	50 pesos Mex	$534-537	(£344¾-345¾)
Mapleleaf	$446-447	(£288-288½)	100 Cor. Aust	$422-425	(£272½-275)
New Sov	$102¼-103	(£66-66½)	$20 Eagles	$570-580	(£368-374½)
½ New Sov	$61¼-62¼	(£39¾-40½)			

EUROPEAN MARKETS

ROTTERDAM, April 20.

Wheat—(U.S. $ per tonne): U.S. No Two Red Winter May 15, June 156, July 154, Aug 159. U.S. No Three Amber Durum April/May 190, May 190, June 188, July 137, Aug 186. U.S. No Two Northern Spring 14 per cent May 187.50, June 181.50, July 181, Aug 179. Canadian Western Red Spring April/May 206, June 204.

Maize—(U.S. $ per tonne): U.S. No Three Yellow spot 151, April 146.50, May 146.50, June 146.50, July/Sept 145, Oct/Dec 137, Jan/March 144 sellers.

Soyabeans—(U.S. $ per tonne): U.S. Two Yellow Gulfports April 249, May 250, June 252, July 254.50, Aug 256.50, Sept 258, Oct 260.75, Nov 260.75, Dec 263.75, Jan 268.25, Feb 272, March 274.50 sellers, Paraguay May 248 sellers.

Soyameal—(U.S. $ per tonne): 44 per cent May 218.50-219 traded; afloat 222, April 220, May 218.50, May/Sept 221, Nov/March 236 sellers. Pellets Brazil afloat 227, April 225, May 224, June 227, April/Sept 227, May/Sept 226 sellers.

PARIS, April 20.

Cocoa—(FFr per 100 kg): May 1405-1415, July 1435 bid, Sept 1500-1510, Dec 1535 asked, March 1550-1560, May 1570-1585, July 1600-1615.

BRITISH COMMODITY MARKETS

BASE METALS

BASE-METAL PRICES were little changed on the London Metal Exchange, excepting Tin which rose sharply on buffer stock support and bear covering to close at £8,875, after £8,890. Copper initially fell to £1,113 on overnight American selling but rallied to close at £1,117, after £1,20. Lead and Zinc closed at £306 and £466 respectively.

COPPER

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde	£	£	£	£
Cash	1094-.5	—6	1092.5-3.5	+.0
3 months	1111-.5	—6	1120-.5	+4.5
Settlem't	1094.5	—8	—	......
Cathodes				
Cash	1072-4	+1.5	1075-80	+5.5
3 months	1092-4	—2.5	1099-1100	+5.5
Settlem't	1074	+3	—	......
U.S. Prod.	—	......	*79-83	......

Amalgamated Metal Trading reported that in the morning cash Higher Grade traded at £1,084.50, 84, three months £1,113, 13.50, 14, 15, 14.50, 16, 13, 12, 11.50, 11. Kerb: Higher Grade: Three months £1,112, 12.50. Afternoon Higher Grade: Three months £1,250, 13, 13.5, 10.5, 19, 18.5, 20. Cathodes: Three months £99.5, 99. Kerb: Higher Grade: Three months £1,116.25. Turnover: 34,450 tonnes.

TIN

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde	£	£	£	£
Cash	8800-10	+60	8870-80	+122
3 months	8755-60	+60	8820-30	+117
Settlem't	8810	+65	—	......
Standard				
Cash	8800-10	+60	8870-80	+130
3 months	8755-60	+60	8820-30	+117
Settlem't	8810	+60	—	......
Straits E.	$31.65	-0.05	—	......
New York				

Tin—Morning: Standard: Cash £8,800, 05, three months £8,760, 55, 50, 65. Higher Grade: Cash £8,800. Standard: Kerb: Three months £8,760, 87, 80. Afternoon: Standard: Three months £8,820. Kerb: Three months £8,885. Turnover: 3,040 tonnes.

LEAD

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	294.5-.75	-4.75	294.5-5.5	—1
3 months	305-6	-3.75	306-.5	—.5
Settlem't	294.75	—4.5	—	......
U.S. Spot	—	......	*21-24	......

Lead—Morning: Cash £294.50, 94.75, 95, three months £306, 05.50, 06, 06.50. Kerb: Three months £305, 5.50. Afternoon: Cash £296, three months £306, 05.5, 06, 06.5, 06. Kerb: Three months £306. Turnover: 22,325 tonnes.

ZINC

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	450-.5	—2.5	450-1	—3
3 months	464.75-5	—7.87	465-.5	—2.25
Settlem't	450.5	—2.5	—	......
Primw'ts	—	......	*39-40.5	......

Zinc—Morning: Three months £464.50, 65, 64.75, 65. Kerb: Three months £464.50. Afternoon: Cash £451, three months £464, 64.5, 66, 65.5, 65.5, 65, 65.5, 66, 65.5. Kerb: Three months £465.75.

ALUMINIUM

Aluminium	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Spot	866-.5	—5.5	871-2	—5
3 months	892-3	—6.75	897-.5	—5.25

Aluminium—Morning: Cash £866, 87, three months £898, 89, 90, 91, 92, 92.50, 91.50, 92. Kerb: Three months £891.50, 92. Afternoon: Three months £892, 93, 94, 3.5, 5.5, 7, 8, 7.5, 7. Kerb: Three months £895.75. Turnover: 25,726 tonnes.

NICKEL

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —†
Spot	3050-60	+10	3090-100	—5
3 months	3155-60	+30	3175-8	—10

Nickel — Morning: Three months £3,135, 40, 45, 50, 40, 35, 40. Kerb: Three months £3,155. Turnover: 1,308 tonnes.

SILVER

LME—Turnover: 128 (157) lots of 10,000 ozs. Morning: cash 767.0; three months 786.0, 785.5. Kerb: three months 786.0, 786.5. Afternoon: three months 793.0, 794, 796. Kerb: 780.5.

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	765.65p	—19.2	777.p	—6
3 months	788.75p	—20.3	795.75p	—6.75
6 months	801.25p	—20.8	—	......
12 months	837.50p	—21.5	—	......

Silver was fixed 19.25p an ounce lower for spot delivery in the London bullion market yesterday at 765.65p. U.S. equivalents of the fixing levels were: spot $11.91, down 35.4c; three-month $12.154, down 37.1c; six-month $12.424, down 37.7c; and 12-month $12.98, down 39.0c. The metal opened at 768-768p ($11.90-11.94) and closed at 774-776p ($12.00-12.04).

COCOA

COCOA	Yesterday's Close	+ or —	Business Done
	£ per tonne		
May	1249-51	+5.0	1255-35
July	1271-73	+0.0	1278-54
Sept	1279-80	+5.0	1280-65
Dec	1295-96	+2.0	1306-87
March	1310-12	+0.5	1324-05
May	1322-27		1335-18
July	1334-40	+1.5	—

Sales: 3,843 (3,012) lots of 10 tonnes.

ICCO—Daily price for April 20: 86.52 (86.62). Indicator prices for April 21: 85.46 (84.43).

COFFEE

In thin volume trade buying erased early losses, reports Drexel Burnham Lambert. Following a quiet New York opening prices eased slightly before consolidating in a narrow range until the close when commission house selling produced a weaker finish.

COFFEE	Yest'day's Close	+ or —	Business Done
May	1756-57	—10.0	1771-55
July	1590-01	—15.0	1615-90
Sept	1538-40	—8.0	1557-38
Nov	1504-06	—7.5	1520-04
January	1471-75	—11.0	1487-74
March	1444-49	—1.5	1445
May	1425-30	—2.5	1430

Sales: 2,069 (2,880) lots of 5 tonnes.

ICO indicator prices for April 19 (U.S. cents per pound): Comp. daily 1979 123.00 (123.16): 15-day average 122.57 (same).

GRAINS

WHEAT Mnth.	Yesterd'ys close	+ or —	BARLEY Yest'd'ys close	+ or —
May	134.10	—1.15	101.25	—1.05
July	135.70	—1.05	—	—
Sep	118.38	+0.10	111.85	+0.10
Nov	121.05	+0.25	114.90	—0.15
Jan	123.95	+0.10	118.35	+0.05
May	108.76		121.10	

Business done—Wheat: May 134.85-134.00, July 136.25-135.85, Sept 118.50-118.00, Nov 121.30-120.70, Jan 124.20-123.70, March 127.05-126.70. Sales: 383 lots of 100 tonnes. Barley: May 127.90-121.25, Sept 112.00-111.65, Nov 115.15-114.90, Jan 116.35-118.00, March 121.30-121.10. Sales: 141 lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1 14 per cent May 129, June 127.75, July 125.25, Aug 125.00, Sept 125.75 transhipment east coast. English feed fob Sept 121.50, Oct/Dec 125 east coast. Maize: French first half May 145.50 transhipment east coast seller. Barley: English feed fob April 136, May/July 127, Aug 111.75, Sept 113.50, Oct/Dec 117.50 east coast seller. Rest unquoted.

HGCA—Locational ex-farm spot prices. Feed barley: Eastern 124.00, East Mids 124.10, North East 124.00, Scotland 121.70. The UK monetary coefficient for the week beginning Monday April 25 is expected to change to 0.969.

POTATOES

Follow-through buying, coupled with added strength from stop-losses, gave all positions initial rises of up to £3. Selling interest became stronger as the day progressed before profit-taking lifted levels a little again at the close, reports Coley and Harper.

Month	Yesterd'y close	Previous close	Business Done
	£ per tonne		
May	63.50	65.00	67.50-62.40
Nov	73.00	72.50	74.00-72.50
Feb	83.00	83.00	85.40-82.00
April	93.50	93.50	95.00-92.50
May	99.50	100.30	101.5-98.50

Turnover: 1,217 (861) lots of 40 tonnes.

RUBBER

The physical market opened easier, drifted easier throughout the day and closed easy. Lewis and Peat reported a May fob price for No 1 RSS in Kuala Lumpur of 268.0 (273.5) cents a kg and SMR 20 234.5 (237.0).

No. 1 R.S.S.	Yesterdy's close	Previous close	Business Done
	£ per tonne		
May	758-760	766-792	—
June	762-763	789-800	762-760
Jly-Sept	766-768	788-800	773-766
Oct-Dec	771-772	795-798	783-770
Jan-Mch	790-792	813-815	800-789
Apl-Jne	809-811	831-835	810-809
Jly-Sept	831-833	852-853	833-831
Oct-Dec	852-856	870-874	856-856
Jan-Mch	872-875	887-894	—

Sales: 851 (83) lots of 15 tonnes: 4 (nil) lots of 5 tonnes.

Physical closing prices (buyers) were: Spot 78.00p (78.75p); May 77.00p (78.75p); June 77.50p (79.50p).

SOYABEAN MEAL

The market opened slightly higher in dull trade, reports T. G. Roddick. Prices remained steady on trade buying.

	Yesterdy's close	+ or —	Business Done
	£ per tonne		
April	—	—	152.00
June	145.40-45.8	+1.25	146.00-45.50
August	147.50-47.8	+1.10	148.00-46.70
October	152.00-52.5	+0.85	152.50-51.50
Dec	152.20-58.6	+0.88	157.50
Feb	161.50-61.8	+0.50	—
April	161.50-64.0	+0.70	—

Sales: 48 (128) lots of 100 tonnes.

SOYABEAN OIL—The market opened unchanged to slightly higher and remained steady, closing mixed. Close (U.S.$ per tonne): June 431.0, 435.00, 435.00; Aug 443.00, 447.00, 447.00-449.00; Oct 453.00, 458.00, 456.00-454.00; Dec 462.00, 470.00, untraded; Feb 472.00, 482.00, untraded; April 481.00, 499.00, untraded. Sales: 23 (9) lots of 25 tonnes.

SUGAR

LONDON DAILY SUGAR—Raw sugar £113 (£110) a tonne cif April-May-June shipment. White sugar £143 (£141).

Reports of low bids to the Dominican Republic blunted buyers' enthusiasm and prices fell back from firm traded levels, reports C. Czarnikow.

No.4 Contract	Yesterday close	Previous close	Business done
	£ per tonne		
May	121.50-21.80	122.75-22.20	125.75-21.50
Aug	131.00-31.40	132.00-32.85	133.25-31.00
Oct	138.10-38.50	140.25-40.10	141.50-38.00
Dec	144.50-44.75	145.25-45.40	146.50-45.50
March	153.25-53.50	155.00-55.75	154.90-53.25
May	157.50-57.75	157.00-58.00	158.50-58.50

Sales: 2,965 (4,817) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis white sugar was £405.50 (same) a tonne for home trade and £218.00 (£215.50) for export.

International Sugar Agreement (U.S. cents per pound) fob and stowed Caribbean ports. Prices for April 19: Daily price 8.63 (8.42); 15-day average 8.46 (6.45).

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. May 570.0, 572.0, 570.5-570.0; July 592.0, 595.0, 593.5-592.0; Oct 580.5, 582.0, 582.0-581.0; Dec 590.0, 591.0, 591.0; March 610.0, 611.0, 611.0; May 621.0, 625.0, untraded; July 631.0, 635.0, untraded; Oct 625.0, 635.0, untraded. Sales: 42.

LONDON NEW ZEALAND CROSSBREDS—Close (in order: buyer, seller, business). New Zealand cents per kg. May 428, 438, 437-430; Aug 444, 447, 456-443; Oct 446, 49, 468-444; Dec 447, 450, 458-448; Jan 448, 451, 459-449; March 459, 461, 469-460; May 468, 470, 478-470; Aug 479, 481, 481-480; Oct 474, 487, nil. Sales: 234.

COTTON

LIVERPOOL — Spot and shipment sales amounted to 237 tonnes. Further useful transactions were arranged, with fresh demand in evidence for numerous styles. Israeli supplies were wanted, as well as other Middle Eastern growths, while support was again forthcoming in African qualities.

HIDES

HIDES—Leeds, Manchester, (Birmingham). Second clearn. Ox: 31-35.5 kg, 7.5p a kg withdrawn, 77.6p withdrawn (77.4p); 26-30.5 kg, 82.4p a kg, 82.5p withdrawn (80.0p); 22-25.5 kg, 83.6p a kg withdrawn, 83.5p withdrawn (83.0p). Light cows: 25.5 kg, 90.0p a kg withdrawn, 90.0p withdrawn (93.1p).

MEAT/FISH

MEAT COMMISSION — Average fatstock prices at representative markets. GB—Cattle 94.03p per kg lw (+0.04). GB—Sheep 207.15p per kg est dcw (—5.37). GB—Pigs 64.25p per kg lw (—0.02).

GRIMSBY FISH—Supply good, demand good. Prices at ship's side (unprocessed) per stone: Shell cod £5.50, codling £4.50-£5.00; medium haddock £3.80-£4.20, small £2.00-£3.00; medium plaice £4.60-£5.00, best small £3.60-£4.40; skinned dogfish (large) £11.00, (medium) £4.00-£5.00; lemon sole (large) £7.50, (small) £4.00; rockfish £2.00-£3.00; saithe £1.80-£2.40.

SMITHFIELD—Pence per pound. Beef: Scotch killed sides 73.7-78.3. Lamb: English small 106.5-112.0, medium 104.5-109.0, heavy 99.0-104.5; Imported: New Zealand PL (new season) 62.0-62.0, PM (new season) 61.0-61.0, PX (old season) 48.0-48.0. Sheep: English 50.0-54.0. Pork: English under 100 lb 34.0-49.5, 100-120 lb 40.3-47.3, 120-160 lb 38.0-43.3.

INDICES

FINANCIAL TIMES

Apr. 19	Apr. 18	M'th ago	Y'ar ago
270.71	270.39	268.19	244.61

(Base: July 1 1952=100)

REUTERS

Apr. 20	Apr. 19	M'th ago	Y'ar ago
1745.6	1751.3	1741.4	1598.2

(Base: September 18 1931=100)

MOODY'S

Apr. 19	Apr. 18	M'th ago	Y'ar ago
1045.7	1048.2	1032.2	1118.7

(December 31 1931=100)

DOW JONES

Dow Jones	Apr. 19	Apr. 18	Month ago	Year ago
Spot	141.56	142.33	137.32	411.62
Fut'rs	143.56	146.67	145.72	429.70

(Base: December 31 1974=100)

COVENT GARDEN—Prices for the bulk of produce, in sterling per package except where otherwise stated. Imported Produce: Topaz—Jaffa: 4.30-5.60. Ortaniques—Jamaican: large boxes 9.00. Karas—Spain: 5.40-6.00. Tangors—Jaffa: 6.00-6.50. Oranges—Jaffa: Shamouti 40 5.50, 50 5.80, 60 6.35, 75 5.55, 88 6.65, 105 6.40, 123 6.40, 144 6.00, 168 5.70; Valencia Lates 40 5.50, 50 5.80, 60 6.45, 75 5.65, 88 6.75, 105 6.40, 123 6.40, 144 6.00, 168 4.80; Moroccan: Valencia Lates 5.60-6.40; Cypriot: Valencia Lates 5.00-6.20. Lemons—Cypriot: 9 kg 2.60-3.60; Spanish: tray 5 kg 25/50 1.40-2.00; Jaffa: carton 3.00-6.00. Grapefruit—Cypriot: 23/56 2.80-3.90; Jaffa: 27 4.50, 32 4.65, 36 4.95, 40 5.00, 48 5.20, 56 5.20, 64 5.00, 75 4.60, 85 4.35; U.S.: Ruby 7.50-9.00 according to size. Apples—N. Zealand: Cox's 10.00-12.50, Gala 10.00-10.50, Red Gala 10.50-11.00; Cape: 18 kg Golden Delicious 8.00-9.20, Starking 8.00-10.00; U.S.: Red Delicious 11.50-14.00; Chilean: Granny Smith 18 kg 8.50-9.20, Red King 8.50-9.20; French: 18 kg Golden Delicious 5.00-5.50, Starkrimson 6.00-6.60, Granny Smith 8.00-8.60. Pears—Cape: 33 lb Packhams 7.00-8.50, Beurre Bosc 7.00-8.00, Beurre Hardy 7.00-8.50, Comice 33 lb 7.00-11.00, trays 6 lb 3.50; Chilean: Packhams 28 lb 7.00-7.70; Dutch: Conference 18 kg 7.70; Italian: Passacrassana 12/14 lb, per pound 0.12-0.15. Grapes—Cape: Barlinka 4.20, New Cross 5.40; Chilean: Thompson 11 lb 8.00-8.50, Ribier 11 lb 0.00, Almeria 8.00. Strawberries—U.S.: 12 oz 1.00-1.10; Spanish: 8 oz 0.25-0.45; Italian: 0.30-0.40. Melons—Brazilian: Yellow 10 kg 7.00-10.00; Chilean: 15 kg White 7.50-9.00, Green 8.00-12.00. Pineapples—Ivory Coast: 20s 0.50, 12C 0.65, 12B 1.00; Ghanaian: each 0.90-1.20 according to size; Kenyan: 8s 1.20-1.80; Cape: 5/9s 5.50-6.00. Bananas—Colombian: 40-lb boxes 10.30-10.60. Avocados—Israeli: 3.50-4.50; South African: 4.60-5.00; Kenyan: 4.00-4.50. Pawpaws—Brazilian: 6.50-7.00. Kiwifruit—U.S.: 11.50-12.00. Asparagus—U.S.: per pound 1.60-2.00; Spanish: per pound 1.00-1.20. Fennel—Italian: 20 lb 6.00. Mangoes—Mexican: box 8.00; Kenyan: box 5.00-7.00; Mali: box 5.00-6.00. Tomatoes—Canary: 3.00-4.50; Dutch: tray 5.60. Celery—Spanish: 4.50-6.50. Aubergines—Canary: 5 kg 4.00-4.50; Dutch: 5 kg 5.20; Italian: 4 kg 4.50-5.00. Onions—U.S.: 9.00; Canadian: 8.50-8.00; Dutch: 2.60-5.00; Chilean: 9.00. Capsicums—Dutch: yellow 12.00, green 0.40; Canary: green 3.50-8.00, red 6.50-8.00. Cabbages—Dutch: red 3.20-3.40, white 3.00-3.20. Spring Cabbages—French: 28 lb 3.30-3.50. Courgettes—Kenyan: 5 lb 2.40; Spanish: 10 lb 3.00-3.50; Italian: 11 lb 3.00; Cypriot: 2.40; Moroccan: 3.50; French: 11 lb 4.00. Cucumbers—Dutch: 2.00-2.40. Chicory—Belgian: 5 lb 2.80-3.00. Potatoes—Canary: 25 kg mids 7.00, ware 7.00-7.30; Cypriot: 44-lb bag 4.20-5.50. New Potatoes—Jersey: per pound ware 0.80, mids 0.90. Cauliflowers—French: 24s 7.00. Turnips—French: 28 lb 5.00. Artichokes—Egyptian: 24s 8.40; Cypriot: 12s 8.00; Spanish: 18s 7.50. Sugar Peas—Kenyan: 4 lb 8.00.

English Produce: Apples—per pound, Bramley 0.08-0.18, Cox's 0.12-0.32, Spartan 0.08-0.16, Crispin 0.08-0.12, Laxton 0.08-0.16. Pears—per pound, Conference 0.14-0.28. Potatoes—per bag 2.20-3.00.

AMERICAN MARKETS

NEW YORK, April 19.

BECAUSE of the present time difference between the U.S. and Europe, this edition carries American market prices a day late. Normal services will resume on April 25.

NEW YORK

COCOA 10 tonnes; $/tonnes

	Close	High	Low	Prev
May	1780	1788	1765	1801
July	1823	1834	1811	1848
Sept	1844	1856	1830	1867
Dec	1878	1885	1860	1896
March	1912	1905	1900	1915
May	1933	—	—	1955
July	1958	—	—	1984

COFFEE "C" 37,000 lb, cents/lb

	Close	High	Low	Prev
May	123.88	124.75	123.60	124.22
July	123.79	124.60	123.44	123.89
Sept	121.50	122.45	121.75	121.87
Dec	120.25	120.60	120.15	120.00
March	116.25	110.75	118.00	118.18
May	114.78	115.50	115.40	115.13
July	112.63	112.75	112.75	112.75
Sept	111.20	111.50	111.50	111.28

COPPER 25,000 lb, cents/lb

	Close	High	Low	Prev
April	76.30	78.50	76.20	76.90
May	76.55	77.15	76.20	77.25
June	77.30	77.40	77.00	78.00
July	78.10	78.78	77.70	78.75
Sept	79.55	80.10	79.10	80.20
Dec	81.40	81.95	81.00	82.10
Jan	82.00	82.50	82.00	82.70
March	83.15	83.75	82.50	83.85
May	84.30	84.70	84.00	84.95
July	85.45	85.80	86.30	86.05

COTTON 50,000 lb, cents/lb

	Close	High	Low	Prev
May	72.42	72.45	71.45	72.28
July	73.40	73.50	72.60	73.56
Oct	73.60	73.57	73.00	73.50
Dec	73.73	73.75	73.05	75.56
March	74.60	74.70	74.18	74.60
May	74.70	—	—	74.70
July	75.70	75.50	75.45	75.70
Oct	75.50	—	—	75.55

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

	Close	High	Low	Prev
May	81.83	82.40	80.66	80.84
June	80.20	80.50	78.70	78.13
July	80.07	80.50	78.40	78.96
Aug	80.43	80.70	79.00	79.40
Sept	81.17	81.50	79.75	80.00
Oct	81.90	82.20	80.50	80.77
Nov	82.85	82.75	82.30	81.90
Dec	83.85	83.90	82.45	83.00
Jan	84.10	—	—	83.25

GOLD 100 troy oz, $/troy oz

	Close	High	Low	Prev
April	433.2	441.0	432.0	445.0
May	434.5	439.0	435.3	446.5
June	437.2	445.5	436.0	449.5
Aug	444.1	451.7	442.5	456.8
Oct	451.1	459.8	449.0	463.4
Dec	458.2	466.5	456.3	470.8
Feb	465.8	467.0	463.5	478.0
April	473.1	478.5	475.0	485.6
June	480.8	488.0	483.5	493.0
Aug	488.3	495.0	495.0	500.7
Oct	496.2	504.0	504.0	508.6
Dec	504.4	511.0	505.0	516.8
Feb	512.9	518.5	518.6	525.4

ORANGE JUICE 15,000 lb, cents lb

	Close	High	Low	Prev
May	114.45	116.00	114.45	115.20
July	112.95	114.00	112.95	114.20
Sept	111.75	113.20	111.90	113.16
Nov	107.45	100.80	107.50	108.80
Jan	101.50	102.95	101.10	[illegible]
March	101.50	102.85	101.00	102.80
May	101.50	—	—	102.80
July	101.50	103.30	103.30	103.00
Sept	101.50	—	—	103.00

SUGAR WORLD "11" 112,000 lb, cents/lb

	Latest	High	Low	Prev
May	7.46	7.46	7.25	7.34
July	7.88	7.87	7.65	7.76
Sept	8.23	0.26	8.05	8.11
Oct	8.48	8.50	8.31	8.38
March	9.43	9.44	9.27	9.28
May	9.71	9.71	9.58	9.50
July	9.98	9.98	9.85	9.75
Sept	10.10	10.15	10.15	9.98

PLATINUM 50 troy oz, $/troy oz

	Close	High	Low	Prev
April	414.5	427.0	414.0	432.1
July	422.4	435.0	421.0	440.9
Oct	429.1	441.0	427.8	447.8
Jan	437.6	449.0	437.1	456.1
April	446.1	459.6	450.0	464.6

SILVER 5,000 try oz; cents/troy oz

	Close	High	Low	Prev
April	1187.5	1236.5	1173.0	1261.5
May	1215.0	1241.0	1215.0	1266.0
June	1225.0	1250.0	1225.0	1275.0
July	1235.0	1262.0	1235.0	1285.0
Sept	1255.0	1281.5	1255.0	1305.0
Dec	1285.0	1318.5	1285.5	1335.0
Jan	1295.0	—	—	1345.0
March	1315.0	1339.0	1315.0	1365.0
May	1336.8	1355.0	1335.0	1385.0
July	1355.0	1377.0	1356.0	1405.0

CHICAGO

LIVE CATTLE 40,000 lb, cents lb

	Close	High	Low	Prev
April	69.42	70.55	69.30	70.77
June	67.12	68.45	67.07	68.55
Aug	65.32	66.55	65.25	66.65
Oct	62.47	63.07	62.45	63.05
Dec	62.97	63.47	62.90	63.55
Feb	62.60	63.22	62.60	63.02

LIVE HOGS 30,000 lb, cents/lb

	Close	High	Low	Prev
April	48.82	49.07	48.00	48.05
June	50.60	51.07	50.25	50.35
July	51.57	51.85	51.00	51.17
Aug	48.65	49.07	48.10	48.27
Oct	44.70	44.90	44.25	44.42
Dec	45.20	45.35	44.95	44.92
Feb	46.72	46.97	46.65	46.35
April	45.50	45.70	45.30	45.50
June	47.25	47.25	47.00	46.80

MAIZE 5,000 bu min, cents/56 lb bushel

	Close	High	Low	Prev
May	310.2	312.2	309.4	310.4
July	314.8	316.4	313.8	315.0
Sept	309.0	311.0	308.2	308.4
Dec	303.0	305.6	301.8	301.8
March	311.2	313.0	308.2	309.2
May	317.4	320.0	316.2	315.8
July	322.2	324.8	321.2	320.4

PORK BELLIES 38,000 lb, cents/lb

	Close	High	Low	Prev
May	68.50	70.75	68.65	70.68
July	67.90	69.16	67.18	67.85
Aug	64.42	65.50	63.95	64.60
Feb	62.40	63.10	62.10	62.65
March	62.40	62.80	62.25	62.45
May	63.60	64.00	63.65	63.80
July	63.10	63.50	63.10	63.30
Aug	60.36	60.75	60.35	60.50

SOYABEANS 5,000 bu min, cents/60 lb bushel

	Close	High	Low	Prev
May	627.2	629.0	623.0	624.6
July	643.2	645.4	639.0	641.2
Aug	648.6	651.4	645.2	647.4
Sept	654.4	657.4	651.4	655.0
Nov	656.6	669.4	662.4	668.0
Jan	679.0	682.4	676.4	678.4
March	692.0	696.0	690.0	693.0
May	703.5	706.4	701.4	704.0
July	714.0	718.0	711.4	714.0

SOYABEAN MEAL 100 tons, $/ton

	Close	High	Low	Prev
May	186.0	186.4	185.0	184.8
July	189.4	189.8	188.5	188.7
Aug	191.1	192.0	190.7	190.8
Sept	193.3	194.2	192.8	193.1
Oct	196.3	196.3	195.1	195.8
Dec	200.0	201.5	199.5	200.1
Jan	201.5	203.2	201.0	201.8
March	206.5	208.0	206.5	206.7
May	209.0	211.5	208.0	209.0
July	211.5	211.6	211.0	212.5

SOYABEAN OIL 60,000 lb, cents/lb

	Close	High	Low	Prev
May	18.78	18.80	18.61	18.69
July	18.11	19.18	18.98	18.07
Aug	19.31	19.36	19.18	18.25
Sept	19.50	19.55	19.37	19.43
Oct	19.66	19.71	19.48	19.58
Dec	20.06	20.12	19.88	19.89
Jan	20.20	20.20	20.15	20.19
March	20.52	—	—	20.55
May	20.83	—	—	20.90
July	21.18	—	—	21.18

WHEAT 5,000 bu min, cents/60 lb bushel

	Close	High	Low	Prev
May	341.0	347.4	340.0	345.2
July	352.2	359.4	351.4	356.8
Sept	364.0	370.4	363.0	368.0
Dec	379.4	388.0	378.4	383.8
March	392.2	398.0	392.0	396.0
May	398.5	403.4	398.0	401.4

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

1983 High	Low	Stock	Price £	+ or –	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
99 13/32	98 13/32	Treasury 9¼pc '83	99 25/32	.....	9.26	10.83
102 11/16	100 13/16	Exch. 13½pc '83	101⅞xd	.....	13.25	10.03
99 13/16	90 11/16	Exch. 10pc 1983	99⅞	.....	10.01	10.13
97⅝	96¼	Funding 5½pc '82-84‡‡	96⅞	.....	5.67	9.94
101¼	99½	Exch. 11¼pc 1984	100⅞	.....	11.13	10.06
104⅝	102½	Exchequer 14pc 1984	103¾xd	.....	13.49	10.29
94¼	92½	Exch. 3pc 1984	94⅝	+⅛	3.17	7.92
102 11/16	100⅛	Treasury 12pc 1984	102¼	.....	11.74	10.21
107 13/16	105⅛	Treasury 15pc 1985	106⅞	.....	14.03	10.74
107	101⅛	Exch. 12pc Cnv. '85	104	.....	11.54	9.63
90⅞	88⅝	Treasury 3pc 1985	90⅝xd	.....	5.31	7.97
102 1/16	99⅞	Treasury 11½pc 1985	101 1/16	.....	11.35	10.81
102	95	Treas 8¾pcCnv '85	96⅞	–⅛	9.03	10.21
103⅝	100 1/16	Exch. 12¼pc 1985	102 11/16xd	+ 1/16	11.91	10.98
102⅞	99 1/16	Exch. 11¾pc '86	102 1/16	+ 1/16	11.51	10.86
88½	85⅝	Treasury 3pc 1986	86⅝xd	.....	3.46	7.99
27 1/16	26	Exch. 10½pc Cv '86 £25pd‡‡	26¼	–⅛	10.54	10.49
103 1/16	100 1/16	Treasury 12pc '86	102½	.....	11.71	11.02
97½	94⅛	Treasury 8¼pc '84-86‡‡	95⅛	–⅛	8.93	10.31
112¼	103¾	Treas. 12¾pc '86 Cnv.	110½	–¼	11.09	8.46
109 1/16	105½	Exch. 14pc 1986	108 1/16xd	+ 1/16	12.89	11.00
107⅛	103⅝	Exch. 13¼pc 1987	106 1/16	+ 1/16	12.43	11.04
84 1/16	81⅝	Exchequer 2½pc 1987	81⅝	.....	3.06	8.15
100 1/16	95⅞	Exch. 10½pc 1987	98 11/16	+⅛	10.62	10.98
99	29 1/16	Exch. 10½pc 1987A	98½	+⅛	10.65	10.96
93¼	89⅝	Funding 6½pc '85-87‡‡	89⅝xd	.....	7.27	9.75
81⅝	81⅛	Treasury 3pc 1987	81⅝	.....	3.68	8.23
104⅝	99⅞	Treas 12pc 1987	103xd	– 1/16	11.65	11.14
93¼	89⅛	Treasury 7¾pc '85-88‡‡	90⅝	–⅛	8.57	10.34
		Five to Fifteen Years				
101½	95½	Exch 10½pc '88	96⅝xd	+⅛	10.81	11.25
01½	75¼	Transport 3pc '78-88	80	–⅛	3.79	8.00
96½	90¼	Treas. 9½pc '88	93xd	+⅛	10.20	11.21
104⅝	95¼	Treasury 11½pc 1989	101⅝	+⅛	11.53	11.53
25⅛	24⅛	Treas. 10½pc '89 (£25pd‡‡	24⅞	+⅛	10.95	11.46
83¼	77½	Treasury 5pc '86-89	78¼	.....	6.39	9.60
110¼	103	Treasury 13pc 1990‡‡	110⅛	+⅛	12.18	11.52
108¼	101¼	Exch. 12½pc 1990	105⅝	+⅛	11.90	11.55
91	86¼	Treasury 8¼pc '87-90‡‡	90	.....	9.47	10.88
104⅝	97	Treasury 11¾pc 1991	104¼	+⅛	11.63	11.56
03	75¼	Funding 5¾pc '87-91‡‡	77¼	.....	7.46	10.81
103	95⅞	Exch. 11pc 1991	98½xd	.....	11.19	11.33
111	102	Treasury 12¾pc '92‡‡	110⅛	+⅛	11.80	11.40
[illegible]						

Over Fifteen Years

[illegible]

Undated

[illegible]

Index-Linked & Variable Rate

[illegible]

Prospective real redemption rate on projected inflation of (1) 10% and (2) 7%.

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH AND AFRICAN LOANS

[illegible]

LOANS

Public Board and Ind.

[illegible]

LOANS—Continued

Financial

[illegible]

Building Societies

[illegible]

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

CANADIANS

[illegible]

BANKS, H.P. & LEASING

[illegible]

BANKS—Continued

[illegible]

Hire Purchase, Leasing, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

CHEMICALS, PLASTICS—Cont.

[illegible]

DRAPERY AND STORES

[illegible]

ELECTRICALS

[illegible]

ELECTRICALS—Continued

[illegible]

For Wigfall (H.) see Stores

ENGINEERING MACHINE TOOLS

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

FOOD, GROCERIES—Cont.

[illegible]

HOTELS AND CATERERS

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

INDUSTRIALS—Continued

[illegible]

INSURANCES

[illegible]

LEISURE

[illegible]

LEISURE—Continued

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

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TEXTILES

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TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

INVESTMENT TRUSTS—Cont.

[illegible]

Finance, Land, etc.

[illegible]

OIL AND GAS

[illegible]

OIL AND GAS—Continued

[illegible]

OVERSEAS TRADERS

[illegible]

PLANTATIONS

Rubbers, Palm Oil

[illegible]

Teas

[illegible]

MINES

Central Rand

[illegible]

Eastern Rand

[illegible]

Far West Rand

[illegible]

O.F.S.

[illegible]

Finance

[illegible]

Diamond and Platinum

[illegible]

MINES—Continued

Central African

1983 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
300	210	Falcon Rh.50c	258	......	025c	10.3	6.0
21	16	Wankie Col. Z$1	20	......	05c	♦	15.4
28	18	Zam.Cpr SBD0.24	21	......	—	—	—

Australians

1983 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
28½	13½	♥ACM 20c	29	–1½	—	—	—
14	6	♥Ampol Gold NL 25c	7½	......	—	—	—
25	11	Balmoral Resources	19	......	—	—	—
60	42	♥Black Hill Mins.	48	–4	—	—	—
[illegible]							

Tins

[illegible]

Miscellaneous

1983 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
[illegible]							
90	34	♥Anglo-Dominion	60	......	—	—	—
90	54	♥Anglo Utd. Dev.	79	......	—	—	—
135	70	♥Colby Res Corp.	79	......	—	—	—
485	315	Cons. Murch. 10c	470	+15	‡060c	1.9	‡
5½	1	‡‡Explaura Gold	3	......	—	—	—
155	103	♥Highwood Res.	130	–5	—	—	—
£21	£18	Homestake Mining $1	£21	......	040c	—	1.3
495	360	Northgate C$1	385	+5	—	—	—
614	455	R.T.Z.	575	–5	16.0	2.0	4.0
£130	£108	Do.9¾%Cn.Ln.'95-2000	£127	......	Q9¾%	♦	(7.7
33	13	♥Sabina Inds C$1	33	+3	—	—	—
17½	12½	‡Southwest Res 10p.	16	–½	—	—	—
530	312	♥Tara Explo $1	512	+32	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- ♥ Not officially UK Listed; dealings permitted under Rule 163(4)(a).
- ♦ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- ‡‡ Dealt in under Rule 163(3).
- ρ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ♦ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- ♦ Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- § Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- 0 No par value.

B.Fr. Belgian Francs. Fr. French Francs. ## Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1983-84. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or other official estimates for 1982-83. M Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1982-83. P Figures based on prospectus or other official estimates for 1982. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xc ex capital distribution.

REGIONAL AND IRISH STOCKS

The following is a selection of regional and Irish stocks, the latter being quoted in Irish currency.

[illegible]

OPTIONS

3-month Call Rates

[illegible]					
Eagle Star	35	R.H.M.	6	Premier	4
F.N.F.C.	4½	Rank Org. Ord.	17	Shell	45
Gen. Accident	40	Reed Intnl.	28	Tricentrol	19
Gen. Electric	22	Sears	9	Ultramar	48
Glaxo	90	T.I.	16		
Grand Met.	32	Tesco	14	Mines	
G.U.S. 'A'	55	Thorn EMI	50	Charter Cons.	28
Guardian	42	Trusthouse	20	Cons. Gold	50
G.K.N.	15	Turner & Newall	4½	Lonrho	8½
Hawker Sidd	34	Unilever	80	Rio T. Zinc	55

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 43

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £600 per annum for each security

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar continues to improve

The dollar rose against most most currencies yesterday, belped by a firmer trend in U.S. interost rates and fears thet rates were unlikely to ease before next week's Federal refunding programme.

Sterling remained on the sidelines, finisbiog the day on a weaker note. Without any fresh impetus the pound fell back as sellers entered the market.

DOLLAR — Trade weigbted index (Bank of England) 122.9 against 124.6 six months ago. The dollar has been firm during a period of extreme uncertainty abont oil prices and the recent upheaval in the EMS. U.S. interest rates have not fallen as once expected, and although better money supply figures have led to renewed bopes, future trends remain rather obscure.

The dollar was quite firm, ospecially against the D-mark despito considerable intervention by the Bundesbank. The U.S. unit rose to DM 2.4590 from DM 2.4525, its highest level since the beginning of February. Against the Swiss franc it rose to SwFr 2.0670 from SwFr 2.0625 and FFr 7.3725 from FFr 7.3525. It was slightly weaker against the yen et Y237.25 from Y237.3.

STERLING — Trading range against the dollar in 1983 is 1.6245 to 1.4540. March average 1.4902. Trado weighted index 83.6 against 83.9 at noon and 83.6 in the morning and compared with 83.8 on Tuesday and 92.5 eix months ago. Sterling has climbed steadily on hopes of a period of oil price stability following the acceptance of price proposals by BNOC's major customers.

Sterling touched a best level of $1.5575 against the dollar but fell back in the afternooo to a low of $1.5475 before finishing at $1.5490-1.5500, a fall of 25 points. Against the D-mark however it was a little firmor at DM 3.8125 from DM 3.81 and SwFr 3.2050 from SwFr 3.2025. It was also higher against the French franc at FFr 11.4225 against FFr 11.41 but was lower against the yen at Y368.0 comoared with Y368¼.

D-MARK—Trading rango against the dollar in 1983 is 2.4950 to 2.3320. March average 2.4102. Trade-weighted index 129.7 against 126.5 six months ago. German economic strength and low inflation compared with many of its neighbours have once again caused strains within the EMS. The latest realignment gives the D-mark room for appreciation as it is currently close to the bottom of the system.

The Bundesbank continued to intervene in the foreign exchange market yesterday, to prevent the dollar rising too sbarply against tho D-mark. The U.S. currency was fixed at DM 2.4595, compared with DM 2.4503 after the German central bank sold $67.2m. During a vory long fixing session the dollar rose as high as DM 2.4615 bot then foll back as the Bundesbank entered the market. Sterling fell to DM 3.8250 from DM 3.8270 at the fixing, while the French franc rose to DM 33.35 per 100 francs from DM 33.345.

BELGIAN FRANC — Trading range against the dollar in 1983 is 48.67 to 45.90. March average 47.46. Trade-weighted index 94.0 against 94.3 six months ago. Emergency foreign exchange controls and heavy central bank support underlined the Belgian Government's determination not to see the franc devalued. In this they succeeded, with the EMS realignment including a franc devaluation.

The Belgian Netional Bank bought the equivalent of BFr 11.9bn in foreign currencies during the week ended Monday, compared with BFr 12.1bn the previous week. Tho comfortablo positioo of the franc in the EMS since the realignment in late March has allowed the central bank to take in almost BFr 39bn, which has generally been used for repayment of short term debt to the European Monetary Co-operation Fund. Tho dollar rose to BFr 49.0325 from BFr 48.85375 at the fixing, the D-mark to BFr 19.9280 from BFr 19.92625, and the French franc to BFr 6.6465 from BFr 6.6430, but sterling foll to BFr 76.1975 from BFr 76.27.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU April 20	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.3662	45.1116	+1.68	+0.55	±1.5430
Danish Krone ...	8.04412	8.03588	−0.10	−1.23	±1.6419
German D-Mark	2.21515	2.26282	+2.16	+1.02	±1.0567
French Franc ...	6.79271	6.78524	−0.11	−1.24	±1.4018
Dutch Guilder ...	2.49587	2.54860	+2.11	+0.98	±1.4941
Irish Punt	0.71705	0.716221	−0.12	−1.25	±1.6696
Italian Lira	1386.78	1346.89	−2.88	−2.88	±4.1463

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

OTHER CURRENCIES

Apr. 20	£	$		£ Note Rates
Argentina Peso ..	111,481-111,887	71,800-71,850	Austria	26.75-27.05
Australia Dollar..	1.7835-1.7855	1.1505-1.1515	Belgium	76.45-77.20
Brazil Cruzeiro ...	684.75 688.75	440.55-449.70	Denmark	10.52-13.65
Finland Markka..	8.4170-8.4450	5.4435-5.4475	France	11.42-11.52

EXCHANGE CROSS RATES

Apr. 20	Pound St'rling	U.S. Dollar	Deutschem'k	Japanese Yen	French Franc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.550	3.810	368.0	11.423	3.205	4.293	2259.	1.913	75.85
U.S. Dollar	0.645	1.	2.460	237.5	7.372	2.068	2.770	1464.	1.234	49.02
Deutschemark	0.262	0.406	1.	96.52	2.996	0.841	1.126	595.0	0.502	19.98
Japanese Yen 1,000	2.717	4.211	10.36	1000.	31.04	8.709	11.66	6164.	5.197	206.4
French Franc 10	0.875	1.357	3.038	322.2	10.	2.806	3.758	1986.	1.674	66.49
Swiss Franc	0.312	0.483	1.190	114.8	3.564	1.	1.338	707.8	0.597	23.70
Dutch Guilder	0.233	0.361	0.888	85.73	2.661	0.747	1.	528.5	0.446	17.69
Italian Lira 1,000	0.441	0.683	1.681	162.2	5.036	1.413	1.892	1000.	0.843	33.48
Canadian Dollar	0.523	0.810	1.993	192.4	5.973	1.676	2.244	1186.	1.	39.71
Belgian Franc 100	1.317	2.040	5.020	484.5	15.04	4.220	5.652	2987.	2.518	100.

THE POUND SPOT AND FORWARD

Belgian rate is for convertible francs. Financial franc 76.50-76.60. Six-month forward dollar 0.57-0.52c pm, 12-month 0.85-0.55c pm.

THE DOLLAR SPOT AND FORWARD

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 49.35-49.45.

FINANCIAL FUTURES

Gilts steady

Trading in gilts was again fairly activo on the London Intornetional Financial Futures Exchango yesterday. Volume remained concentrated on June delivery, where the price opened 1/32 lower at 105-02. It fell to a low of 104-29, but was generally underpinned by the firmer tone of the pound on the foreign exchanges. Market nervousness tended to centre on doubts about when the next UK general election will take place, but improving sentiment took the June price op to a peak of 105-18. It closed et 105-08, a fall of ¼ on the day.

The June month also continued to attract most volume in the three-month sterling interest rate contract. The June price opened at 90.18, compared with 90.24 et Tuesday's close. This was the lowest level of the day, but prices moved within a narrow range, rising to a peak of 90.27, before closing 1 point higher on the day et 90.25. September prices traded within an equally narrow range of 9 basis points, before finishing 2 points firmer at 90.38. This month also bogan trading at the day's low of 90.30.

In the Eurodollar pit June closed 2 points lower at 90.88, but this was the highest level touched yesterday, after an opening level of 90.82, and a low of 90.77.

LONDON

THREE-MONTH EURODOLLAR $1m points of 100%

	Close	High	Low	Prev
June	90.88	90.88	90.77	90.90
Sept	90.62	90.63	90.49	90.62
Dec	90.35	90.38	90.24	90.35
March	90.10	90.10	90.10	90.13
June	90.00	90.00	90.00	90.00

Volume 2,055 (2,221)
Previous day's open int 4,068 (3,825)

CHICAGO

U.S. TREASURY BONDS (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
June	77-12	77-28	77-08	77-22
Sept	76-25	77-10	76-23	77-05
Dec	76-11	76-28	76-10	76-23
March	75-31	76-15	75-31	76-11
June	75-23	76-04	75-23	76-01
Sept	76-15	75-26	75-15	75-25
Dec	75-08	75-19	75-08	76-18
March	75-02	75-13	75-02	75-12

MONEY MARKETS

London rates little changed

UK clearing bank base lending rates 10 per cent (since April 15 and 18)

UK interest rates showed little change yesterday as the market came to terms with the prospect of a loogisb pause before any furthor cut in base rates. Overnight interbank mooey opeoed at 10⅛-10½ per ceot and touched 11½ per cent before finishing at 5 por cent.

Tho Bank forecast a shortage of around £150m, later revised to £200m, and then back to £150m. Factors affecting the market included bills meturing in official bands and a net take up of Treasury bills −£138m and the unwinding of previous sale and repurchase agreements −£224m. Oo the other hand Exchequer transactions added £50m to tho system. Tho Bank gave belp in the morning of £88m, making purchases of £43m of eligible bank bills in Band 2 (15-33 days) at 10 per cent, £34m in band 3 (34-63 days) at 9⅞ per cent and in band 4 (64-84 days) £8m of eligible bank bills and £3m of Treasury bills (64-91 days) all at 9¾ per cent.

In Frankfurt the Bundesbank intervened in the money market for the second day running to arrange currency swap agreements. These were designed to help reduce curreot high liquidity levels, caused by high levels of reserve assets held by commercial banks over their minimum reserve requirements, the unwinding of previous currency repurchase agreemeots and the transfer to the Federal Government of the 1982 profits of the Bundesbank on thoir own totalling some DM 11bn.

In Amsterdam Nederlanscbe Middenstandsbank placed a half point surcharge on its base rate. This reflected a recent rise in mooey market rates duo to weakness of tho Dutcb guilder.

In Paris the Bank of France left its mooey market intervention rate unchanged at 12½ per cent wheo purchasing FFr 20bo of first category paper from the market

LONDON MONEY RATES

Apr. 20 1983	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	5-11¼	—	—	—	8½-10⅜	8-10½	—	—	—
2 days notice	—	—	10¼	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	10¼-10⅛	10¼	—	—	10½	10-10⅛	—	—	—
One month	10⅜-10¼	10⅜-10½	10¼	11-10¾	10½	10½	10-10⅛	10-10⅛	10⅛-10⅛	10¾
Two months	10⅛-10⅛	10¼-10⅛	10⅛	10¾-10½	10⅜	10⅜	9⅞	9¾-9⅞	9¾-9⅞	10⅞
Three months	10¼-10⅛	10¼-10⅜	10	10⅜-10⅛	10¼	10⅛	9¾	9⅞-9¾	9⅞-9⅞	10⅞
Six months	10⅛-9⅞	10⅛-10¼	10	10-9¾	10⅛	—	—	—	9⅞-9⅝	10⅛
Nine months	10⅛-9⅞	10⅛-10¼	10	10½-10¼	10⅛	—	—	—	—	—
One year	10⅛-9⅞	10⅛-10¼	10	10¼-10	10⅛	—	—	—	—	—
Two years	—	—	10⅜	—	—	—	—	—	—	—

ECGD Rate Export Finance Scheme IV Average Rate for interest period March 2 to April 5 1983 (inclusive): 10.974 per cent.

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates nominally three years 10¾ per cent; four years 10¾ per cent; five years 11 per cent. ♦Bank bill rates in table are buying rates for prime paper. Buying rate for four months bank bills 9 21/32-9 11/16 per cent; four months trade bills 10 11/32 per cent.

Approximate selling rate for one month Treasury bills 9 29/32-10 per cent; two months 9 13/16-9 27/32 per cent; and three months 9 23/32 per cent. Approximate selling rate for one month bank bills 10-10 1/32 per cent; two months 9⅞-9 15/16 per cent and three months 9¾-9 13/16 per cent; trade bills one month 10 7/16 per cent; two months 10 11/32 per cent and three months 10 7/32 per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 11½ per cent from April 1 1983. London and Scottish Clearing Bank Rates for lending 10 per cent. London Deposit Rates for sums at seven days' notice 6¾ per cent.

Treasury Bills: Average tender rates of discount 9.7566 per cent. Certificates of Tax Deposit (Series 6). Deposits of £100,000 and over held one month 10½ per cent; one-three months 10¾ per cent; three-six months 10¼ per cent; six-12 months 10¼ per cent. Under £100,000 10 per cent from April 8. Deposits held under Series 3-5 10¼ per cent. The rates for all deposits withdrawn for cash 8 per cent.

INTEREST RATES

EURO-CURRENCY INTEREST RATES
(Market closing rates)

Apr. 20	Short term	7 days notice	Month	Three Months	Six Months	One Year
Sterling	10⅝-10½	10⅝-10½	10⅝-10½	10¼-10⅜	10⅛-10¼	10⅛-10⅛
U.S. Dollar	8¾-9	8⅞-9⅛	8⅞-9⅛	9⅛-8⅞	9⅛-9⅛	9⅝-9⅝
Can. Dollar	8½-8⅛	8½-8½	9⅛-8⅞	9¼-9½	9⅝-9⅝	9⅝-9⅞
D. Guilder	5½-5¾	5⅝-5⅛	5⅞-5⅞	5½-5⅝	5⅞-5⅞	5⅞-5⅞
S. Franc	3⅜-3⅝	3½-3¾	4⅞-4⅞	4⅞-4⅞	4¼-4⅜	4¼-4⅜
Deutschm'rk	4⅞-4⅞	4⅞-4⅞	4⅞-4¾	5-5⅛	5⅛-5⅞	5⅝-5⅞
Fr'nch Franc	12¼-12½	12⅛-12⅝	12¼-12¾	13⅛-13⅜	14½-15	15¾-16½
Italian Lira	15-17	15-15¾	16-17	15⅝-17⅛	17⅛-17¾	17¾-18⅜
Belg. Franc.						
Conv.	10-10½	10-10½	10½-11	10½-11	10½-11	10¾-11¼
Fin.	10-10½	10½-10¾	10½-10⅝	10½-10⅝	10½-10⅝	10⅝-10⅝
Yen	5⅞-5⅛	5⅛-5¼	5⅞-5¼	5¼-5⅞	5¼-5⅞	5⅝-5½
D. Krone	12⅞-13⅜	12⅝-12⅞	12⅛-13	12¼-12¾	12⅛-12⅝	12⅛-12⅝
Asia $ (Sing.)	8⅞-8⅞	8-9⅛	9⅛-9⅛	9⅛-9⅞	9⅞-9⅞	9⅛-9⅞

FT LONDON INTERBANK FIXING
11.00 a.m. APRIL 20)

3 month U.S. dollars		6 months U.S. dollars	
bid 9 1/4	offer 9 3/8	bid 9 5/16	offer 9 7/16

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK

Prime rate	10½
Fed funds (lunch-time)	8½-8¾
Treasury bills (13-week)	8.11
Treasury bills (26-week)	8.27

GERMANY

Lombard	5.0
Overnight rate	4.85
One month	5.05
Three months	5.20
Six months	5.25

FRANCE

Intervention rate	12.5
Overnight rate	12.75
One month	12.5625
Three months	12.1875
Six months	12.0625

JAPAN

Discount rate	5.5
Call (unconditional)	6.15625
Bill discount (3-month)	6.71875

SWITZERLAND

Discount rate	4
Overnight rate	2½-3½
One month	4⅞-4⅞
Three months	4⅞-4⅞

NETHERLANDS

Discount rate	3½
Overnight rate	6-5¾
One month	5½-5¾
Three months	5½-5⅝
Six months	5½-5⅝

$ CERTIFICATES OF DEPOSIT

One month	8.75-8.85
Three months	8.80-8.90
Six months	8.90-9.00
One year	9.20-9.40

LONG TERM EURO $

Two years	10⅛-10⅜
Three years	10½-10¾
Four years	10⅞-11⅛
Five years	11⅛-11⅜

SDR LINKED DEPOSITS

One month	8⅜-8½
Three months	8⅝-8¾
Six months	8 7/16-8 11/16
One year	8 13/16-9 1/16

ECU LINKED DEPOSITS

One month	8¼-8⅝
Three months	8⅝-9
Six months	9-9⅜
One year	9 3/16-9 11/16

Authorised Units—continued

Insurances—continued

Offshore and Overseas—continued